



**SPECIAL REPORT**  
THE SHIFT TOWARD  
INDEPENDENT BROKERAGES

*Independent brokers—firms not affiliated with a franchise brand like Re/Max, Century 21, or Keller Williams Realty—are more prevalent now than they were a decade ago, and an Inman survey reveals that the trend is likely to continue.*



*The survey of 777 brokers and real estate professionals, conducted from Dec. 4 to Dec. 15, found that brand awareness is seen as the biggest advantage enjoyed by brokers who affiliate with franchisors.*



*Indie brokers may miss out on the brand visibility, technology and training that franchisors offer, but those who have chosen to go it alone say their ability to move quickly and adapt to their specific markets is a competitive advantage.*



*The vast majority of independent brokerages say brand awareness is not a big problem for them—they are more concerned about their ability to recruit and retain new agents.*



*More than eight in 10 brokerages are independents. While most indie brokerages are small, the majority of U.S. agents are now working outside of franchise networks.*



*All in all, 97 percent of indie brokers say they aren't considering joining a franchise brand, while 71 percent of affiliated brokers report that they've at least thought about going indie.*



*That suggests franchisors will have to fight to maintain their market share as more brokers question their value proposition.*

## INDEPENDENT BROKERAGES

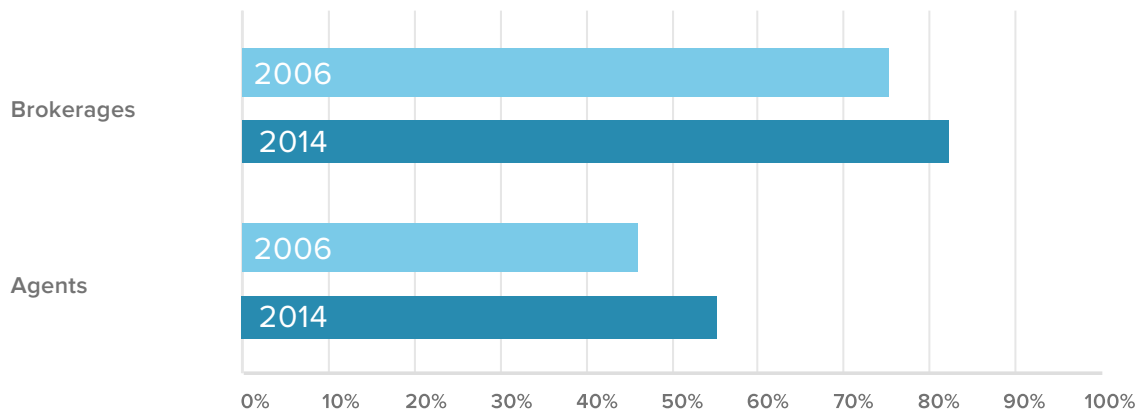
Independent brokerages are more prevalent now than they have been in a decade, and an Inman survey suggests that real estate franchisors will have to continue to fight to maintain their market share as more brokers question their value proposition.

Independent firms do business without the fees, rules and bureaucracy of a franchisor. But they also do without the national exposure, brand recognition, access to enterprise-scale technology, and other perks that come with being part of a large franchise brand like Keller Williams Realty, Century 21 Real Estate, Coldwell Banker Real Estate, Re/Max or Berkshire Hathaway HomeServices.

While indie brokerages have always outnumbered those affiliated with national franchise brands, independents tend to be smaller firms. So with the rise of franchising in the modern era, the majority of agents came to be employed with firms affiliated with one of the big brands.

That trend has reversed. Today not only are more than 8 in 10 brokerages independents, but the majority of U.S. agents are with indie brokers.

### CHANGE IN NUMBER OF INDEPENDENT AGENTS AND BROKERS 2006 TO 2014



Sources: NAR 2014 member profile, NAR 2006 profile of real estate firms

The overall agent population is growing, but independent brokerages are currently capturing agents at a faster clip than franchisors, according to NAR member profiles for 2013 and 2014. From 2013 to 2014 the percentage of agents at independent firms jumped from 52 percent to 54 percent.

Nearly 9 out of 10 Inman readers surveyed (86 percent) think independent brokerages are becoming more popular among real estate agents.

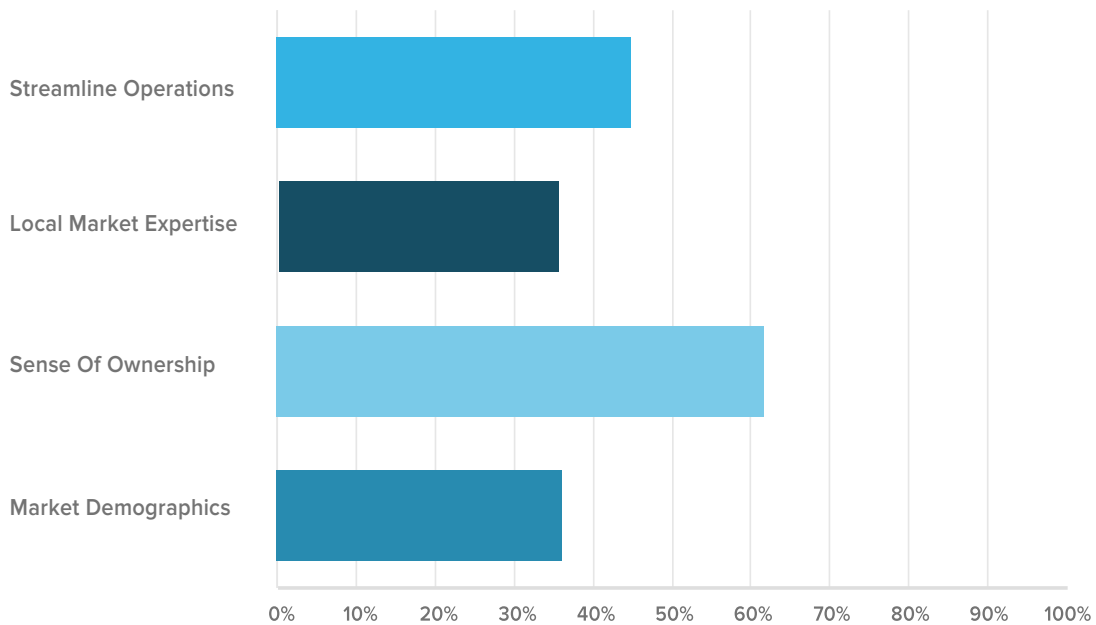
Remarkably, while 71 percent of affiliated brokers surveyed by Inman report that they have thought about going independent, 97 percent of indie brokers say they aren't considering joining a franchise brand.

What accounts for this shift?

Brokers and real estate professionals surveyed by Inman say local control of branding and technology gives indie brokers the ability to craft nimble, profitable businesses that can adapt quickly to local market conditions—without the burden of franchise fees.

**Q1 INDEPENDENT BROKERAGES ARE ON THE RISE.  
WHY DO YOU THINK THAT IS?  
(CHOOSE ALL THAT APPLY)**

Answered: 740 Skipped: 37



Answer Choices	Responses	
The technology available to streamline operations at a smaller scale.	<b>45.27%</b>	335
Smaller, local brokerages typically have better local market expertise than firms affiliated with a franchise brand.	<b>36.49%</b>	270
Local control over branding and technology gives brokers and agents a greater sense of ownership.	<b>61.49%</b>	455
As agents, buyers and sellers become younger (think millennials), these type of brokerages appeal to those demographics.	<b>35.81%</b>	265
<b>Total</b>		<b>740</b>

*“I wanted independent control and less bureaucracy and politics,” said one independent broker about the decision to remain unaffiliated.*

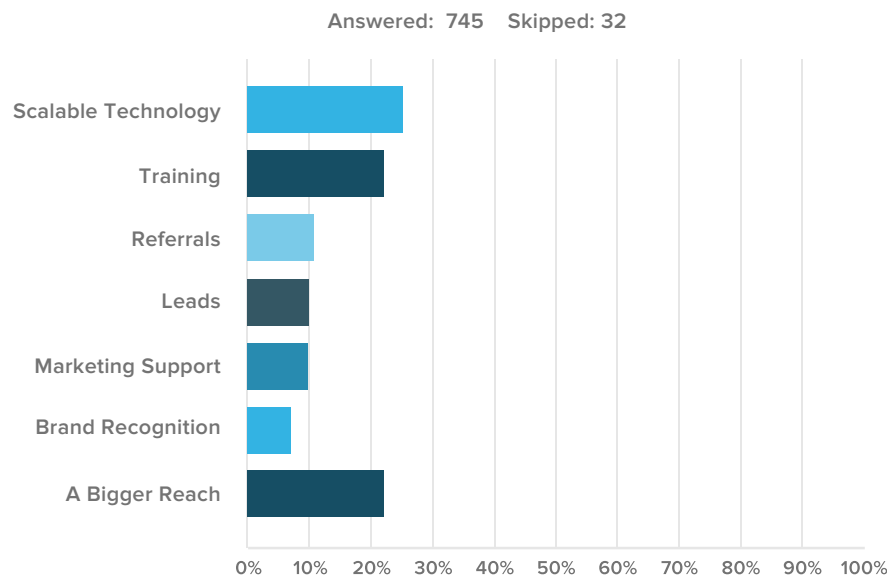
*“We have the freedom to build our own culture and the ability to be organic and go with the flow,” said another.”*

While franchisors often tout their prowess in providing technology, training and leads, indie brokers say they’re doing quite nicely in those departments.

Of the 777 brokers and real estate professionals surveyed, 55 percent (426) were independent brokers, and 20 percent (152) were brokers affiliated with franchise brands. The remaining 25 percent (189) of survey respondents were non-broker real estate professionals.

Nearly half of all those surveyed said technology that allows companies to streamline operations at a smaller scale is part of the reason for the resurgence of the indie brokerage model.

**Q8 WHAT ADVANTAGES DO BROKERAGES THAT AFFILIATE WITH A FRANCHISE BRAND TYPICALLY HAVE OVER INDEPENDENTS?**  
(CHOOSE ALL THAT APPLY)

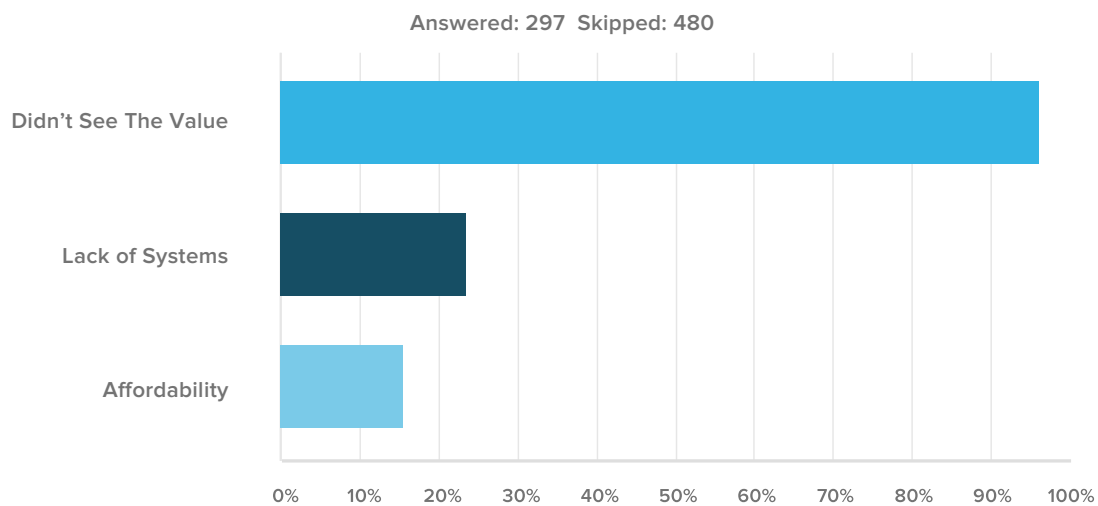


Answer Choices	Responses
Scalable technology	39.19% 292
Training	42.28% 315
Referrals	34.63% 258
Leads	27.79% 207
Marketing support	31.41% 234
Brand recognition	79.73% 594
A bigger reach (i.e. website, network)	42.95% 320
<b>Total Responses:</b>	<b>745</b>

Eight out of 10 respondents (79 percent) said indie brokerages have a competitive advantage over franchise affiliates.

Those who felt that way said not only do indie brokers have more flexibility to adapt to local market conditions as they see fit (65 percent), but that they are free from the burden of paying franchise fees (72 percent).

**Q18 WHY AREN'T YOU CURRENTLY AFFILIATED WITH A FRANCHISE BRAND?**  
(CHOOSE ALL THAT APPLY)



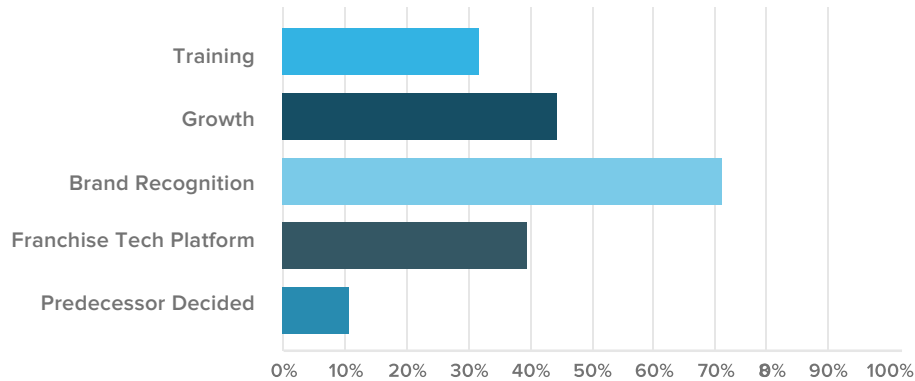
Answer Choices	Responses
Didn't see the value	<b>94.61%</b> 281
Didn't provide the systems needed to run a real estate business	<b>23.57%</b> 70
Couldn't afford the fees	<b>14.14%</b> 42
<b>Total</b>	<b>297</b>

Indie brokers say it's not so much that they can't afford to pay the fees -- which do after all get them perks like exposure, technology and training, and referrals—but that they just don't see the value in joining a franchise.

*"We have the freedom to stay ahead of the curve and develop our own unique technology," said one indie broker. "Plus, I can save money" by not paying franchise fees—savings that are passed on to agents, which helps with retention."*

## Q38 WHY DID YOU DECIDE TO AFFILIATE WITH A FRANCHISE BRAND? (CHOOSE ALL THAT APPLY)

Answered: 109 Skipped: 668



Answer Choices	Responses	
I wanted the training that a franchisor offered	32.11%	35
I wanted to grow my business, and my franchisor offered the scale	44.04%	48
I wanted the branding recognition that came with a franchise	70.64%	77
I wanted access to my franchisor's tech platform	39.45%	43
A predecessor decided	11.01%	12
	<b>Total</b>	<b>109</b>

Among brokers affiliated with a franchisor, less than half (40 percent) said they chose the franchisor for their technology platform (39 percent) or training (32 percent). The vast majority (71 percent) said they wanted the brand recognition.

Brokers affiliated with franchisors were evenly split on whether they felt their current franchise fees were worth it.

*“We get a lot of marketing, website and technology for our franchise or our royalty fee,” said one affiliated broker who participated in the survey.*

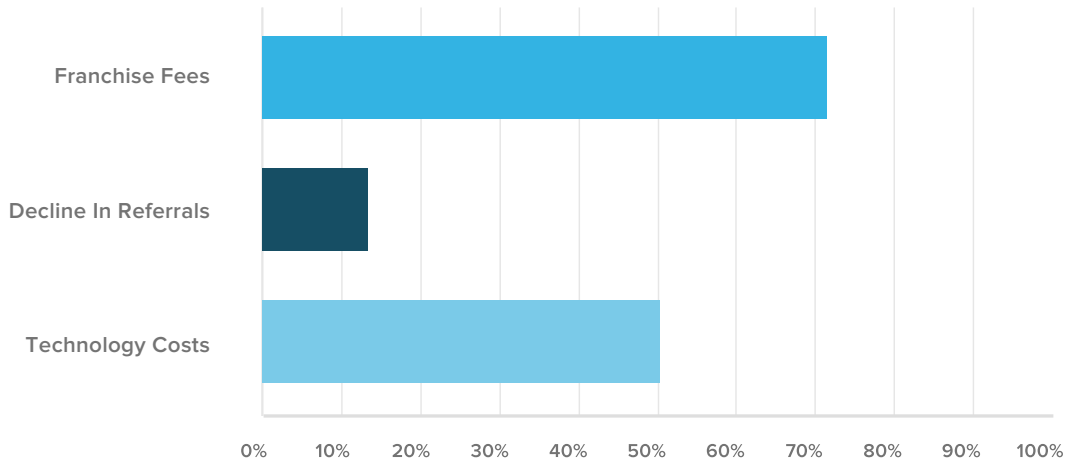
*But another complained, “What used to be provided by the franchisor is now available to all on the Internet.”*

Each franchisor’s fee structure is different, but they all extract dues from their franchisees. Realogy brands like Century 21 Real Estate, Coldwell Banker Real Estate, and Better Homes and Gardens Real Estate, for example, typically charge their franchisees a royalty fee of 6 percent on their gross commission income, according to a Realogy regulatory filing.

Nearly three-quarters of affiliated brokers (71 percent) said a sharp rise in franchise fees would compel them to go independent, while 51 percent said they’d make the move if they were able to provide the technology their franchisor provides to their agents at a similar price.

**Q40 WHAT WOULD COMPEL YOU TO GO INDEPENDENT?**  
(CHOOSE ALL THAT APPLY)

Answered: 99 Skipped: 678



Answer Choices	Responses
If franchise fees shot up	<b>70.71%</b> 70
If referrals through my national franchise network dropped	<b>13.13%</b> 13
If I could afford to provide the technology my franchisor provides to my agents at a similar price	<b>50.51%</b> 50
	<b>Total 99</b>

A majority of Inman readers (80 percent) said brand recognition was the biggest advantage affiliated firms have over indies, followed by the greater reach afforded by franchise websites and networks (43 percent), training (42 percent) and scalable technology (39 percent).

Many of the largest brands run massive national marketing campaigns complete with TV ads that air on network and cable channels.

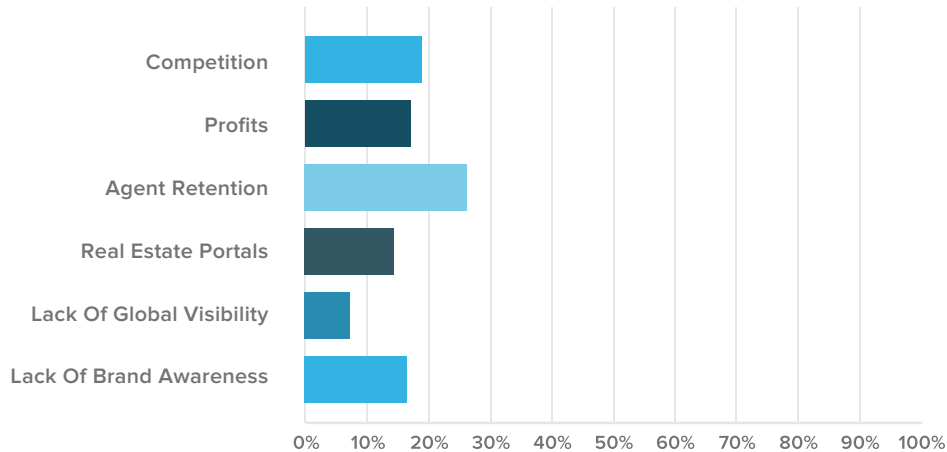
Although this level of exposure may be perceived as a franchisor’s biggest value, independent brokers say that lack of brand awareness is not a big threat to their businesses.

While national franchisors brand on a larger scale, independent firms come up with creative marketing at the local level.



## Q24 WHAT DO YOU SEE AS THE BIGGEST THREAT FACING INDEPENDENT BROKERAGES?

Answered: 297 Skipped: 480



Answer Choices	Responses	
Competition from large brokerages and franchises	19.19%	57
Ability to run a profitable real estate business	17.51%	52
Ability to attract and keep agents	24.58%	73
Real estate portals	14.14%	42
Lack of global visibility	8.08%	24
Lack of brand awareness	16.50%	49
<b>Total</b>		<b>297</b>

Just 17 percent of independent brokers said brand awareness was an issue. The most often cited challenge for indies is keeping and attracting agents, followed by competition from large brokerages and franchisees.

Independent firms don't receive the referral and relocation business that franchised firms have access to as part of a national, and international, network.

Indie brokers do have the option of joining referral networks like Leading Real Estate Companies of the World (LeadingRE), The Realty Alliance and Leverage Global Partners.

But most independent brokers (70 percent) said their firm does not participate in a referral network. Independent brokerage networks might account for some of the current popularity in independent firms, said LeadingRE's CEO and president, Pam O'Connor, who told Inman that membership in her organization has grown steadily over the last 10 years.

About half of independent brokers said their firms had brokerage-level marketing deals with one or more of the big three portals.

These deals are another perk franchised firms usually receive from their parent brands: network-wide discounts or other perks they've negotiated with the large real estate portals Zillow, Trulia and realtor.com.

Several Realogy brands including Century 21 have deals with the portals, as does Keller Williams Realty. Other franchisors do, too, but have been more mum about their agreements.

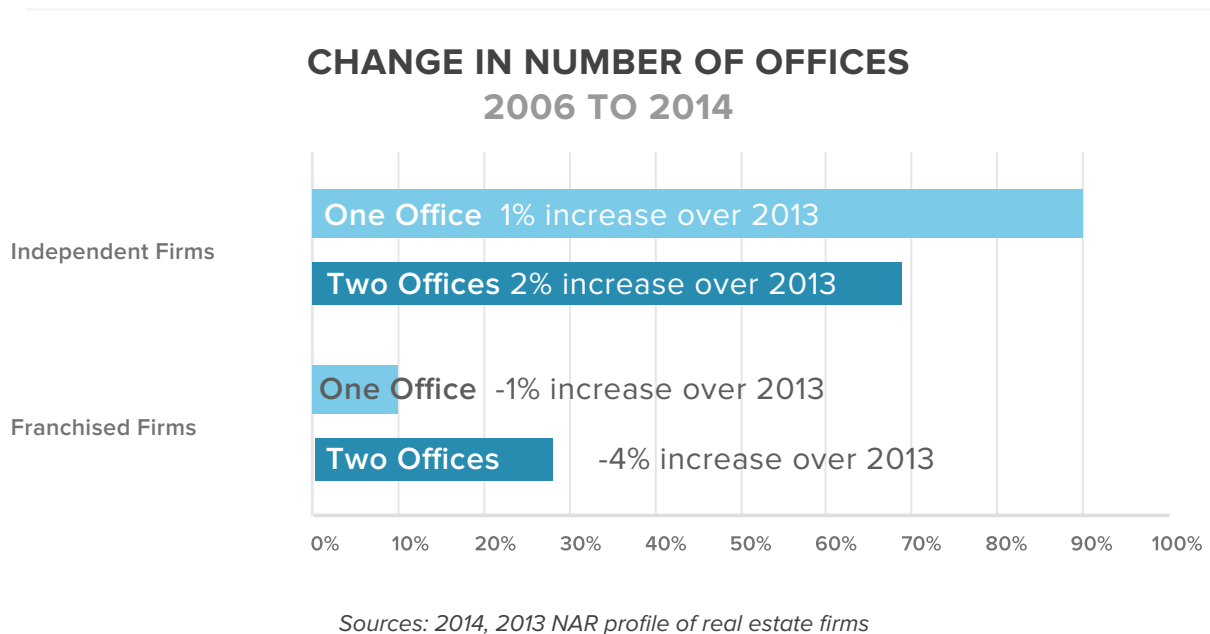
A majority of all survey respondents (63 percent) said they felt unaffiliated brokerages send more leads to their agents than franchised firms.

## FIRM STRUCTURE

The survey showed that the larger the firm, the more likely it is to be affiliated with a franchise brand -- which makes sense, because big brokerages are perhaps best positioned to take advantage of benefits like tech platforms that scale affordably, streamlined growth and training and operations playbooks.

While more than three-quarters of the indie brokerages participating in the survey had fewer than 50 agents, nearly two-thirds of participating affiliated brokerages had more than 50 agents, and 22 percent had more than 200.

NAR statistics agree with those results.



Just 10 percent of one-office firms were franchised in 2014, according to NAR's 2014 profile of real estate firms. That percentage jumps to 28, 31 and then 45 as a firm's size goes from two offices, to three offices, and then to four or more offices, respectively.

But between 2013 and 2014, franchisors lost market share in each office-size category to independents —more evidence of the growing popularity of going it alone.

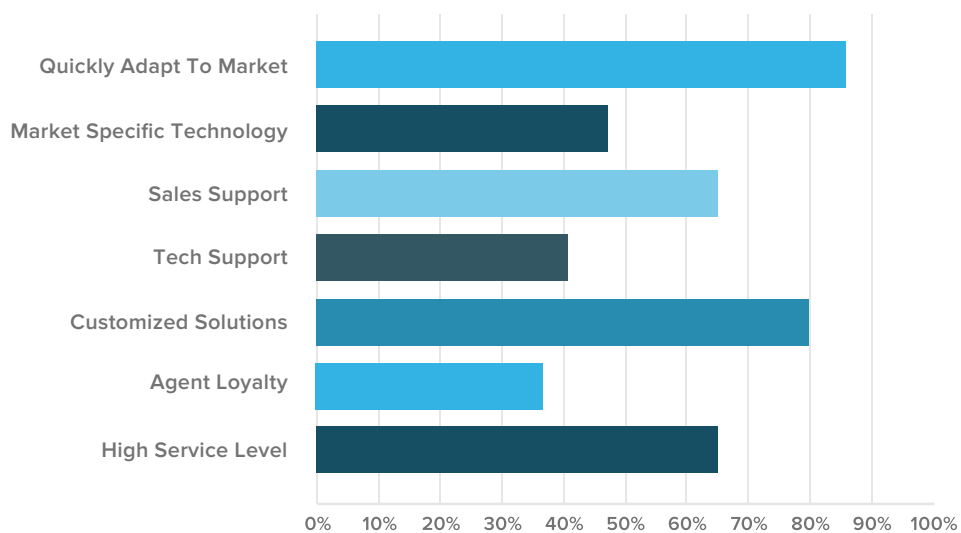
Inman's survey found that unaffiliated firms also have a much lower agent-to-staff ratio than franchised firms.

Of the independent brokers who took the survey, most (47 percent) said they had a support structure in the range of one staff member for every four agents. Conversely, most franchised broker respondents (27 percent) said their firm had one staff member for more than 20 agents.

*“Deep involvement with ensuring my agents are successful,” noted one unaffiliated broker as an advantage the firm has over franchised firms.*

### Q14 WHAT ADVANTAGES DOES BEING INDEPENDENT HAVE OVER FRANCHISING? (CHOOSE ALL THAT APPLY)

Answered: 292 Skipped: 485

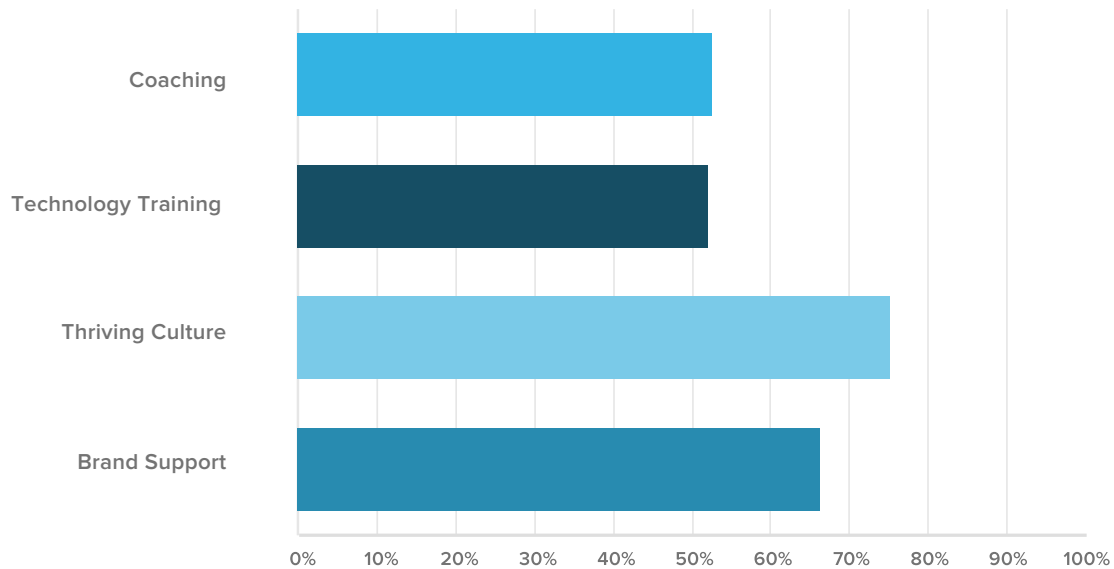


Answer Choices	Responses	
Ability to move quickly, adapt to changing local market conditions	86.64%	253
Offer technology to my agents that's specifically suited to my market	48.63%	142
I can offer a high level of sales support to my agents	65.41%	191
I can offer a high level of tech support to my agents	40.75%	119
I have the ability to come up with customized solutions to problems	80.14%	234
Agents have a higher buy in to the firm because they have a sense of ownership	37.33%	109
I can offer a higher level of service to my customers	65.41%	191
	<b>Total Responses:</b>	<b>292</b>

A majority of the independent brokers surveyed (65 percent) said that the ability to offer a high level of sales support to their agents gave them an advantage over franchised firms. That perceived advantage tied with their ability to offer consumers a higher level of service.

## Q27 WHAT IS YOUR COMPANY'S VALUE PROPOSITION TO AGENTS? (CHOOSE ALL THAT APPLY)

Answered: 298 Skipped: 479



Answer Choices	Responses
In-depth coaching	52.68% 157
Hands-on tech training	52.68% 157
A unique, thriving culture	74.83% 223
A place that supports our agents' brands	66.44% 198
<b>Total</b>	<b>298</b>

A unique, thriving firm culture, however, is the biggest attraction for agents, according to 75 percent of the independent brokers who took the survey. That topped a company design that supports agents' brands (66 percent), access to in-depth coaching (53 percent) and hands-on tech training (53 percent).

*"(We have) a tendency to attract more independent, creative agents that contributes to noncorporate culture," said one independent broker.*

Given their smaller size and local control, independent brokerages can develop a curated feel based upon an passionate attention to detail.

(See Inman’s profile of Oakland, California-based independent brokerage Red Oak Realty to get a sense of how independent broker-owners’ passion can shape a firm).

Though they may have more staff support for their agents, a significant subset of indie brokers (35 percent) said their firms don’t have training programs for new agents.

Though they have more freedom to set their own rules than their franchised counterparts, most independent brokers (71 percent) said their firm enforces a set of brand standards for their agents and business, such as requiring every agent to have the same type of business card.

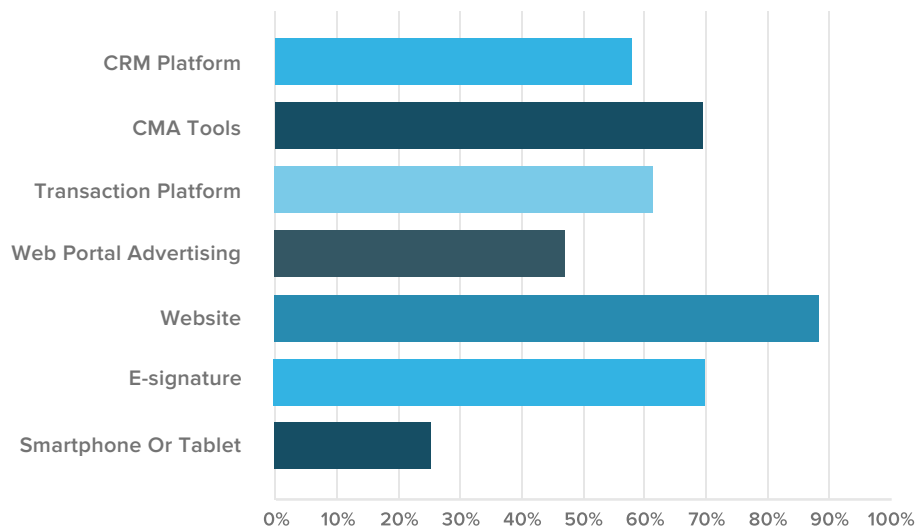
## TECHNOLOGY AND CHALLENGES

A majority of independent brokers surveyed (56 percent) say that between 75 and 100 percent of their agents use the technology they provide them

### Q21 WHICH OF THE FOLLOWING TECHNOLOGIES DO YOU OFFER YOUR AGENTS?

(CHOOSE ALL THAT APPLY)

Answered: 303 Skipped: 474

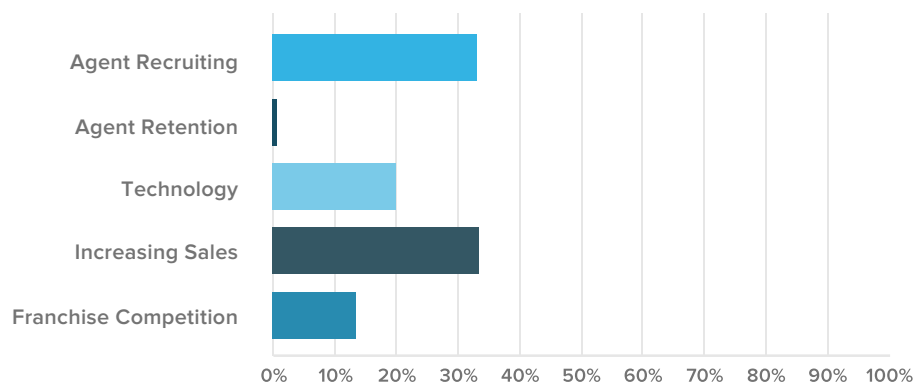


Answer Choices	Responses	Count
Customer relationship management platform	58.09%	176
CMA - comparative market analysis tool	70.96%	215
Transaction management platform	61.72%	187
Advertising on one or more of the big portals (Zillow, Trulia, realtor.com)	47.52%	144
Website	89.77%	272
E-signature	69.97%	212
Smartphone or tablet	25.41%	77
<b>Total Responses:</b>		<b>303</b>

A majority of unaffiliated brokers say their firm provided the following technologies to their agents: website (90 percent), comparative market analysis tool (71 percent), e-signature (70 percent), transaction management system (62 percent) and a customer relationship management platform (58 percent).

## Q16 WHAT'S THE BIGGEST CHALLENGE FACING YOUR BUSINESS?

Answered: 278 Skipped: 499



Answer Choices	Responses	
Recruiting agents	33.09%	92
Retaining my current agents	0.72%	2
Figuring out what technology to use	20.50%	57
How to increase my agents' sales	32.01%	89
Competing with brokerages that are affiliated with franchise brands	13.67%	38
	<b>Total Responses:</b>	<b>278</b>

Indie brokers surveyed said their biggest business challenges include recruiting agents (33 percent), increasing agent sales (32 percent) and choosing the right technology to use (21 percent).

Competing with franchised firms (14 percent) was low on the list, however.

## THE FUTURE

Of the 297 independent brokers who took the survey, 239 (80 percent) said they operated independently because they liked having control of decisions at their firm.

That reason trumped an interest in building their own brand (69 percent) and an aversion to franchise fees (61 percent).

*As one independent broker put it, "I enjoy the freedom of customizing my own model."*

And while that enthusiasm doesn't appear to be waning, there are circumstances where indie brokers say they'd be willing to affiliate with a franchisor -- particularly one that addresses a specific need.

## OPENINGS FOR FRANCHISORS

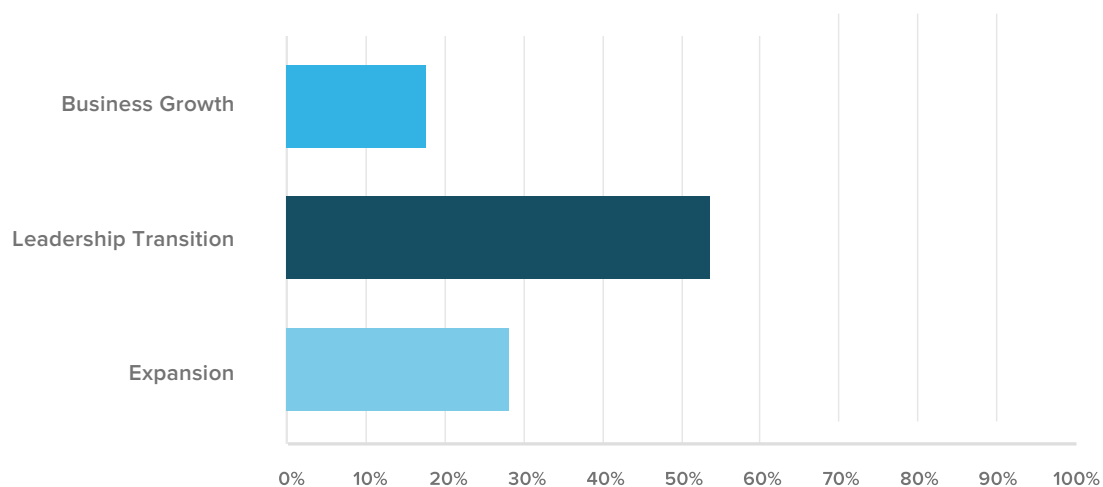
Survey participant Sarah Jones, broker and co-owner of Texas-based Bamboo Realty, told Inman that she would consider joining only one brand, Better Homes and Gardens Real Estate, because she sees it as a company that allows brokerages to keep their unique feel and identity.

Jones pointed to BHGRE Generations in Alabama, BHGRE 43 Degrees North in Idaho and BHGRE Go Realty in North Carolina as examples of companies that have affiliated with the brand without giving up their indie values.

Other brands, like Real Living, a sister franchise of Berkshire Hathaway HomeServices, also target smaller firms who want to maintain more of a boutique feel.

### Q31 WHAT WOULD PROMPT YOU TO AFFILIATE WITH A FRANCHISE BRAND?

Answered: 208 Skipped: 569



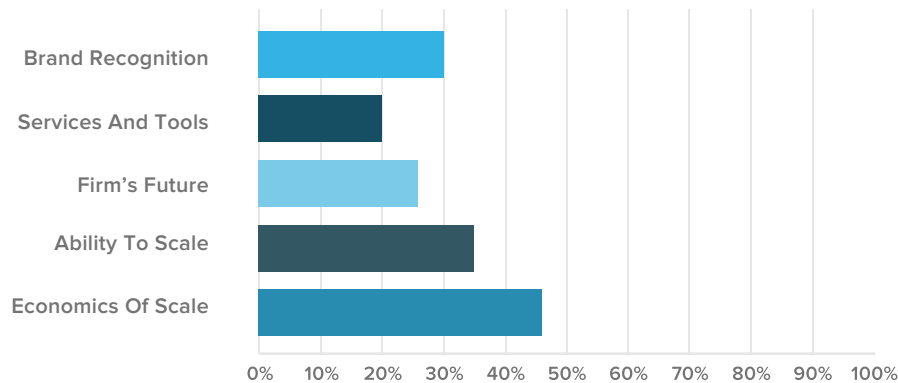
Answer Choices	Responses
An interest in growing my agent count with scalable technology and other business tools	<b>18.27%</b> 38
If I was set to retire and didn't have a leadership transition in place	<b>52.88%</b> 110
If I wanted to expand geographically	<b>28.85%</b> 60
<b>Total</b>	<b>208</b>

When asked what would compel them to affiliate with a franchise, most independent brokers (53 percent) said they would consider signing on with a brand if they were set to retire but didn't have a succession plan in place. A smaller number (29 percent) said they'd consider franchising as an avenue for expanding into new markets.

Realogy launched a program in November to address the succession scenario, helping franchisees train the next generation of brokerage leaders.

**Q20 IF YOU ARE PLANNING ON AFFILIATING WITH A FRANCHISE BRAND IN THE FUTURE, WHY?**  
(CHOOSE ALL THAT APPLY)

Answered: 20 Skipped: 757



Answer Choices	Responses	
Need the brand recognition	30.00%	6
Need the services and tools franchises offer	20.00%	4
Will help my firm endure after I'm gone	25.00%	5
I plan on expanding and I could use the brand recognition and scale that a franchisor offers	35.00%	7
The economies of scale, for marketing and technology, are much greater with a franchise	45.00%	9
	<b>Total Responses:</b>	<b>20</b>

Among independent brokers who said they considering affiliating with a franchise brand, the benefit most often cited was economies of scale for both marketing and technology, followed by an interest in using a franchise brand's network and scale to execute an expansion.

Cary, North Carolina-based Go Realty chose to join Better Homes and Gardens Real Estate in August for this reason. The affiliation gave the firm access to BHGRE's technology and marketing, and access to the potentially lucrative leads in Better Homes and Gardens database, the firm's owners told Inman at the time.

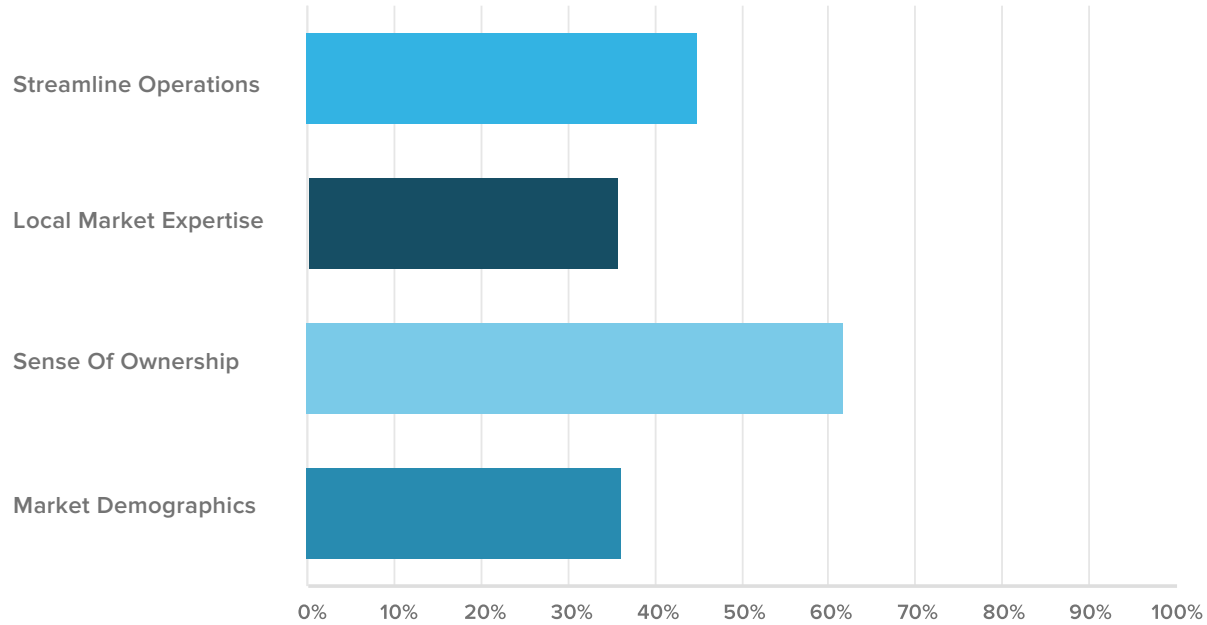


**inman**

**SELECT**

**Q1 INDEPENDENT BROKERAGES ARE ON THE RISE.  
WHY DO YOU THINK THAT IS?  
(CHOOSE ALL THAT APPLY)**

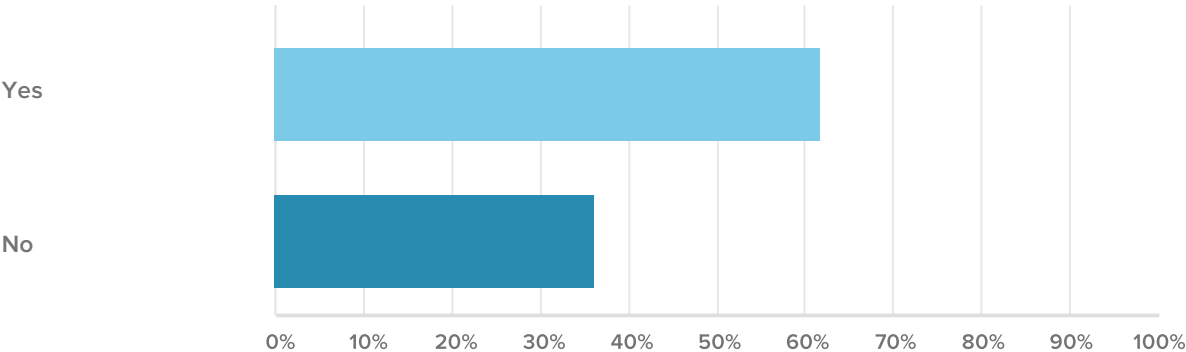
Answered: 740 Skipped: 37



Answer Choices	Responses	
The technology available to streamline operations at a smaller scale.	<b>45.27%</b>	335
Smaller, local brokerages typically have better local market expertise than firms affiliated with a franchise brand.	<b>36.49%</b>	270
Local control over branding and technology gives brokers and agents a greater sense of ownership.	<b>61.49%</b>	455
As agents, buyers and sellers become younger (think millennials), these type of brokerages appeal to those demographics.	<b>35.81%</b>	265
	<b>Total</b>	<b>740</b>

## Q2 DO YOU THINK INDEPENDENT BROKERAGES ARE BECOMING MORE POPULAR AMONG REAL ESTATE AGENTS?

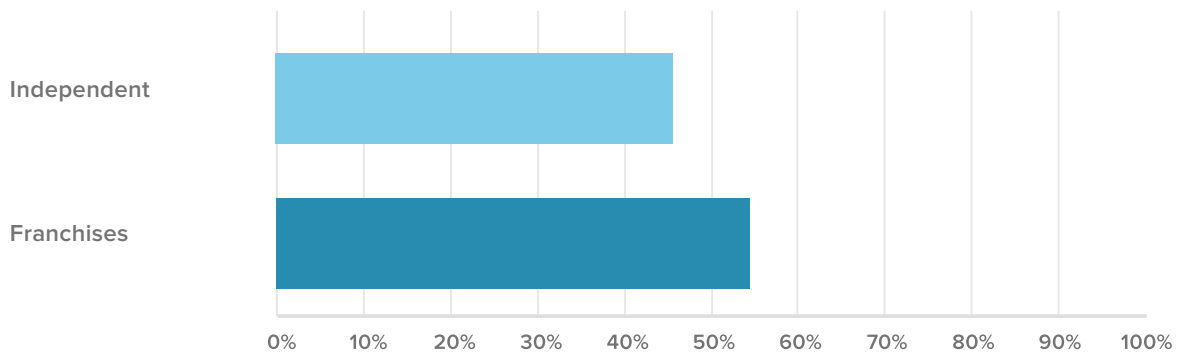
Answered: 762 Skipped: 15



Answer Choices	Responses	
Yes	<b>85.7%</b>	653
No	<b>14.3%</b>	109
<b>Total</b>		<b>762</b>

### Q3 WHO HAS MORE SOPHISTICATED TECHNOLOGY?

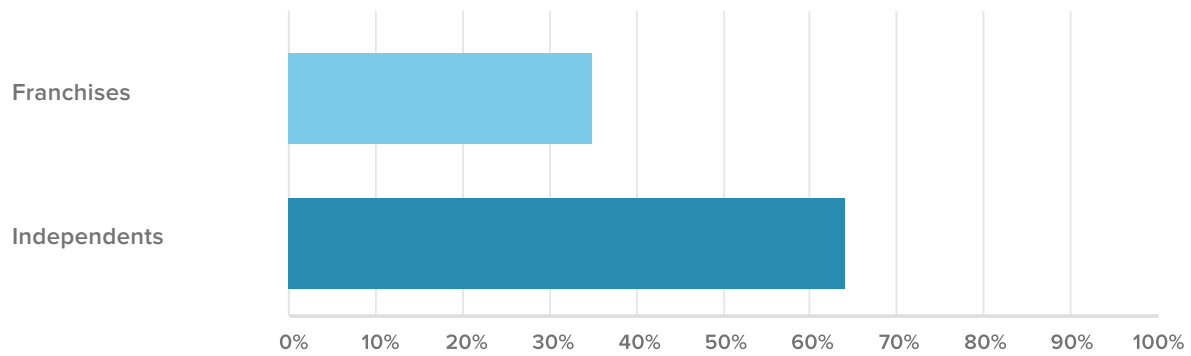
Answered: 736 Skipped: 41



Answer Choices	Responses
Independent brokerages	<b>46.60%</b> 343
Brokerages affiliated with a franchise brand	<b>53.40%</b> 393
<b>Total</b>	<b>736</b>

## Q4 WHO DISTRIBUTES MORE LEADS TO THEIR AGENTS?

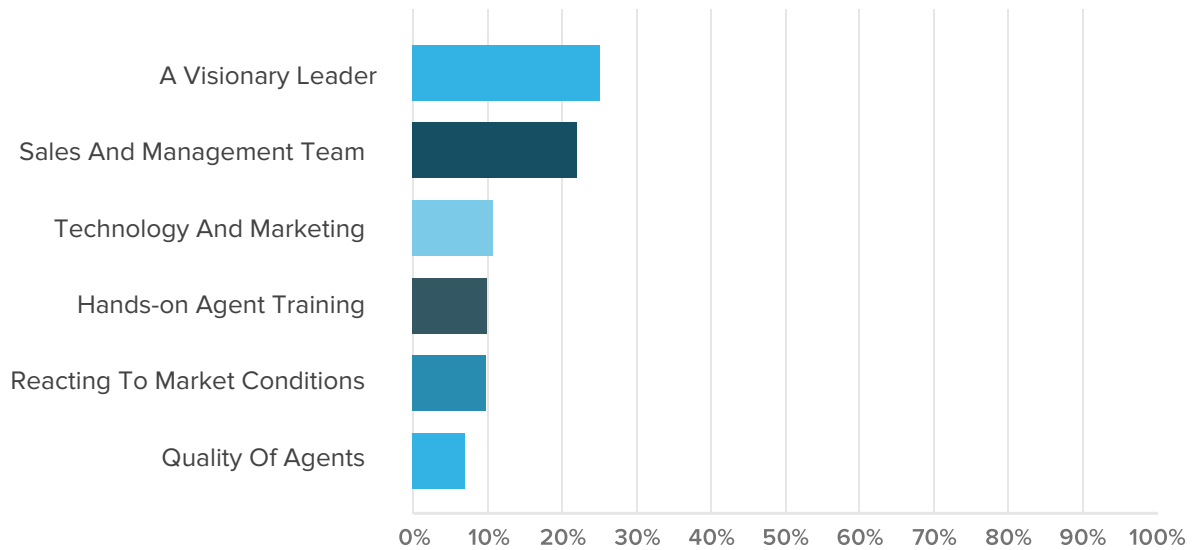
Answered: 730 Skipped: 47



Answer Choices	Responses
Franchises	<b>36.71%</b> 268
Independents	<b>63.29%</b> 462
<b>Total</b>	<b>730</b>

## Q5 WHAT ARE THE MOST IMPORTANT DRIVERS OF SUCCESS FOR INDEPENDENT BROKERAGES? (CHOOSE ALL THAT APPLY)

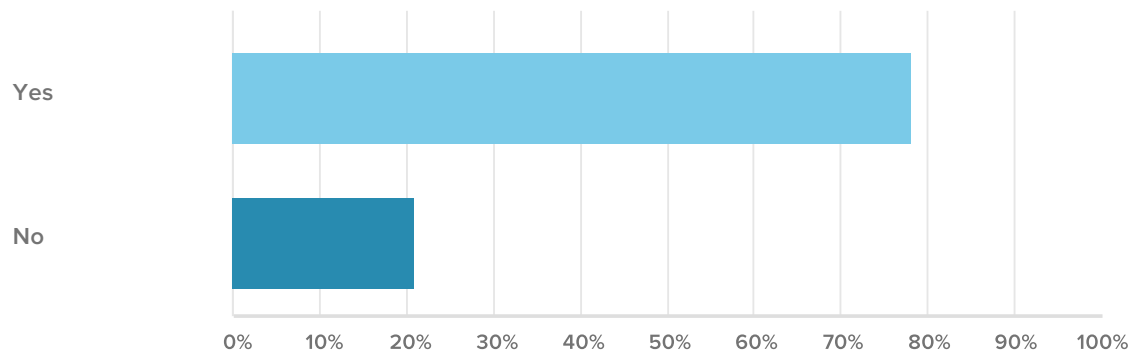
Answered: 755 Skipped: 22



Answer Choices	Responses	
A visionary leader	65.43%	494
The quality of sales and management team	57.72%	398
The technology and marketing offered	43.05%	325
The ability to provide more hands-on training for its agents	41.46%	313
The ability to react quickly to changing market conditions	65.43%	494
The high quality of the agents it has recruited and retained	60.66%	458
<b>Total Responses:</b>		<b>755</b>

## Q6 DO INDEPENDENTS HAVE AN ADVANTAGE OVER BROKERAGES AFFILIATED WITH A FRANCHISE BRAND?

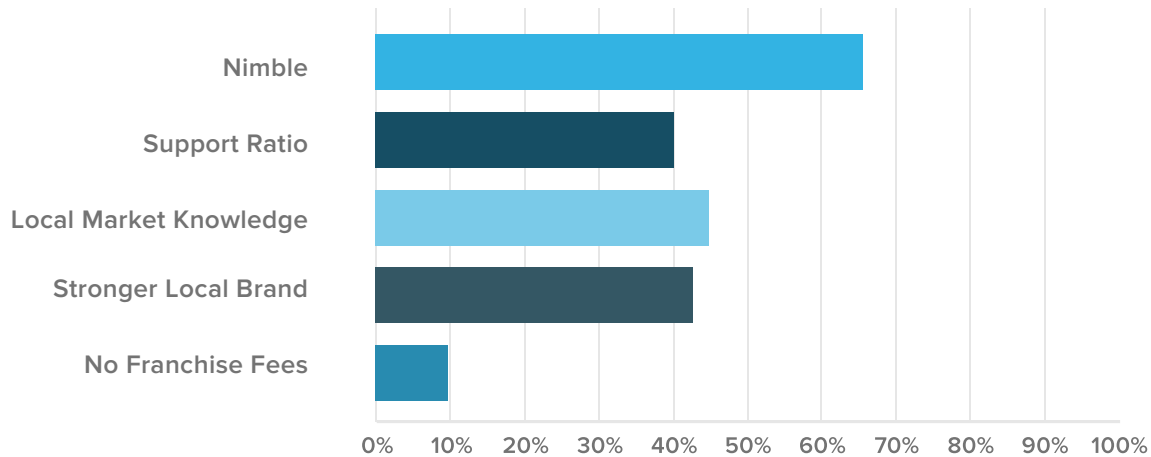
Answered: 766 Skipped: 11



Answer Choices	Responses
Yes	<b>78.98%</b> 605
No	<b>21.02%</b> 161
<b>Total</b>	<b>766</b>

**Q7 IF YOU ANSWERED YES TO QUESTION 6,  
WHAT DO YOU THINK THOSE ADVANTAGES ARE?  
(CHOOSE ALL THAT APPLY)**

Answered: 623 Skipped: 154

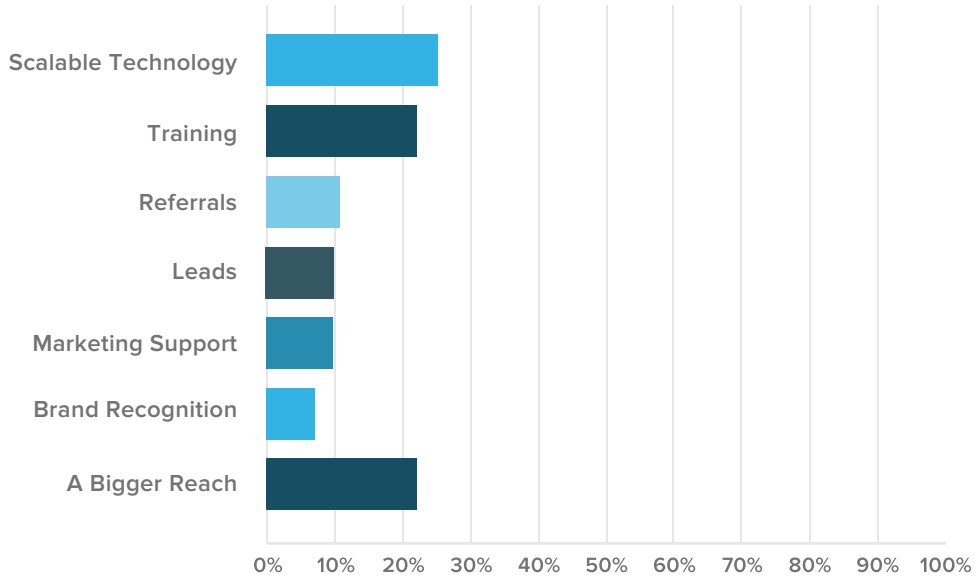


Answer Choices	Responses	
Ability to be nimble	65.33%	407
Better support ratio (admin,marketing, tech)	40.13%	250
More in-depth local knowledge	45.75%	285
Stronger local brand	43.98%	274
They don't pay a franchise fee	72.39%	451
<b>Total Responses:</b>		<b>623</b>



**Q8 WHAT ADVANTAGES DO BROKERAGES THAT AFFILIATE WITH A FRANCHISE BRAND TYPICALLY HAVE OVER INDEPENDENTS?**  
(CHOOSE ALL THAT APPLY)

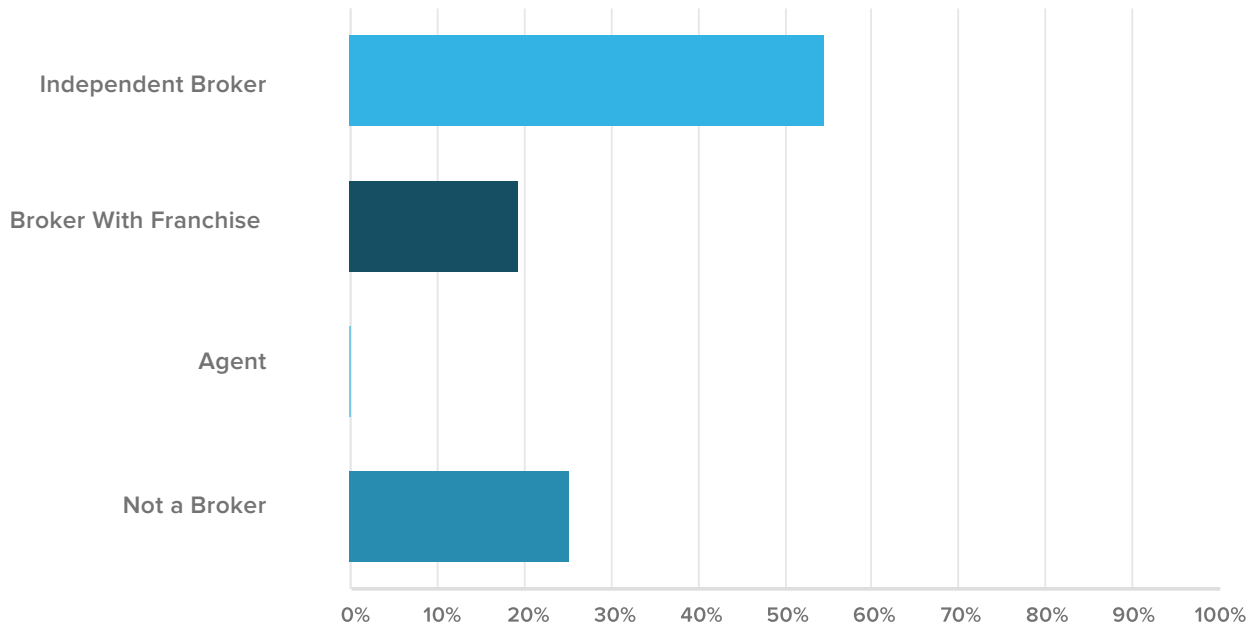
Answered: 745 Skipped: 32



Answer Choices	Responses	
Scalable technology	39.19%	292
Training	42.28%	315
Referrals	34.63%	258
Leads	27.79%	207
Marketing support	31.41%	234
Brand recognition	79.73%	594
A bigger reach (i.e. website, network)	42.95%	320
<b>Total Responses:</b>		<b>745</b>

## Q9 WHICH BEST DESCRIBES YOU:

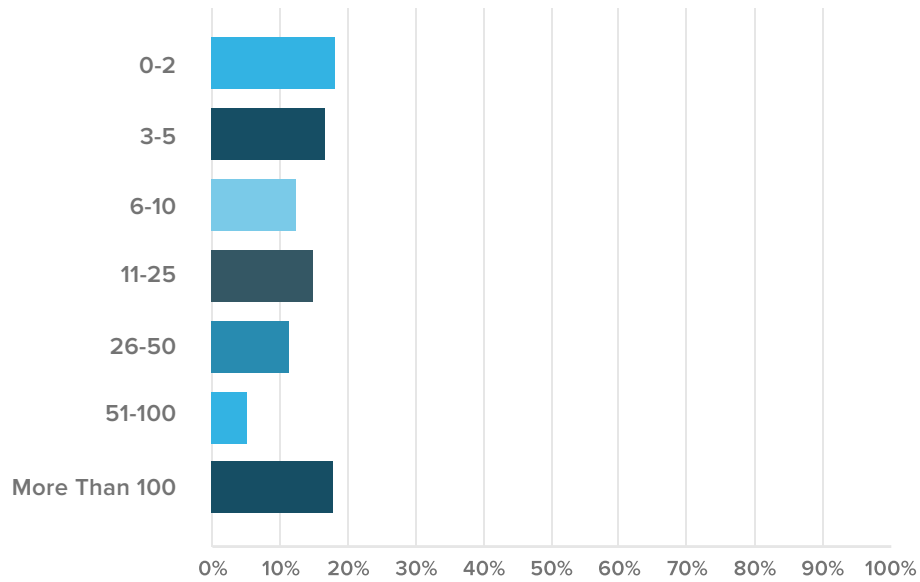
Answered: 767 Skipped: 10



Answer Choices	Responses
I'm an independent broker.	<b>55.54%</b> 426
I'm a broker affiliated with a franchise brand.	<b>19.82%</b> 152
I'm an agent.	<b>0.00%</b> 0
I'm not a broker.	<b>24.64%</b> 189
<b>Total</b>	<b>767</b>

## Q10 HOW MANY AGENTS ARE IN YOUR BROKERAGE?

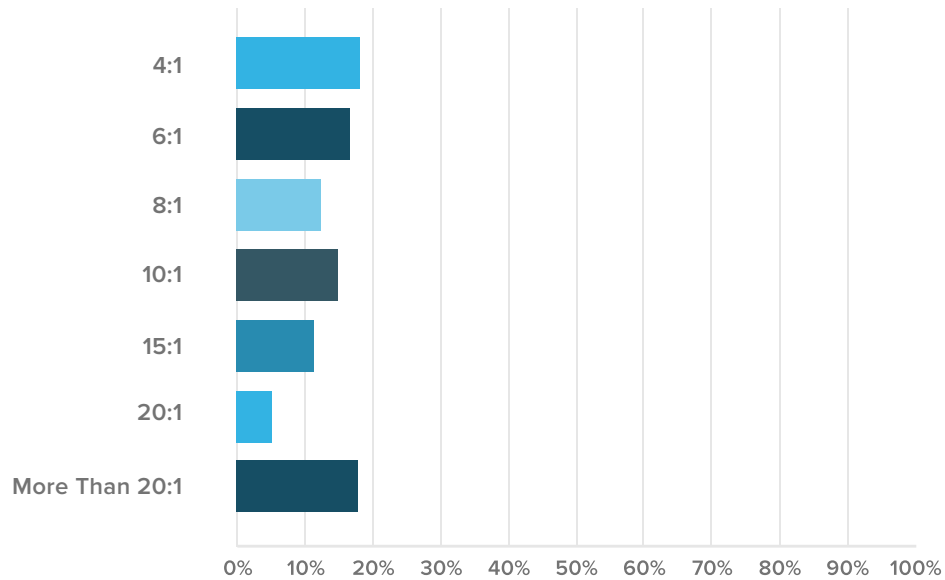
Answered: 296 Skipped: 481



Answer Choices	Responses	
Zero to two	18.58%	55
Three to five	17.23%	51
Six to ten	13.85%	41
Eleven to twenty five	15.54%	46
Twenty six to fifty	11.15%	33
Fifty one to one hundred	5.74%	17
More than 100	17.91%	53
<b>Total Responses:</b>		<b>296</b>

## Q11 WHAT'S THE APPROXIMATE AGENT-TO-STAFF RATIO AT YOUR FIRM?

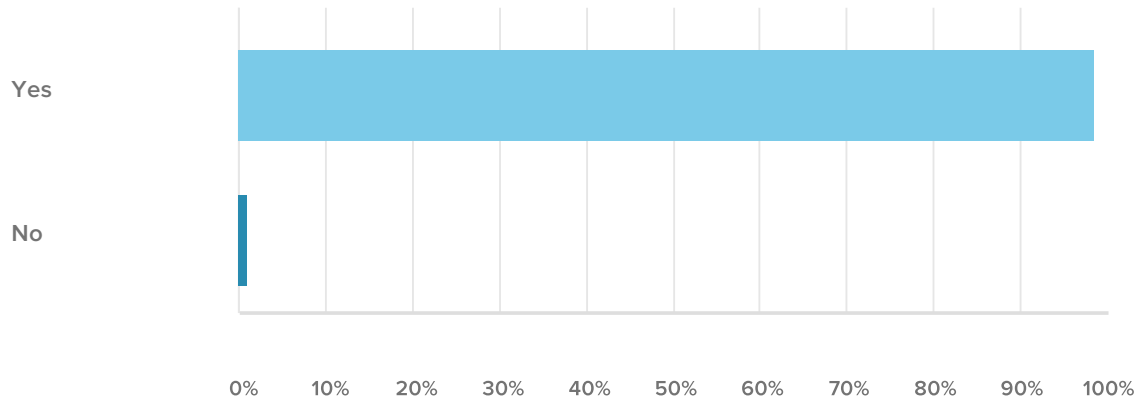
Answered: 286 Skipped: 491



Answer Choices	Responses	
Four to one	46.85%	134
Six to one	8.74%	25
Eight to one	11.89%	34
Ten to one	11.89%	34
Fifteen to one	11.15%	25
Twenty to one	5.94%	17
More than twenty to one	5.94%	17
	<b>Total Responses:</b>	<b>286</b>

## Q12 ARE YOU PROFITABLE?

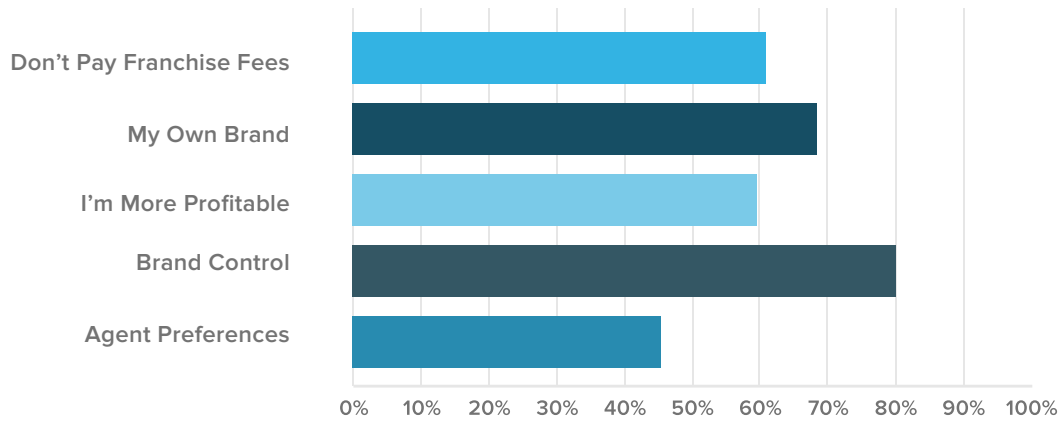
Answered: 293 Skipped: 484



Answer Choices	Responses
Yes	<b>99.32%</b> 291
No	<b>.68%</b> 2
<b>Total</b>	<b>740</b>

## Q13 WHY ARE YOU AN INDEPENDENT BROKER? (CHOOSE ALL THAT APPLY)

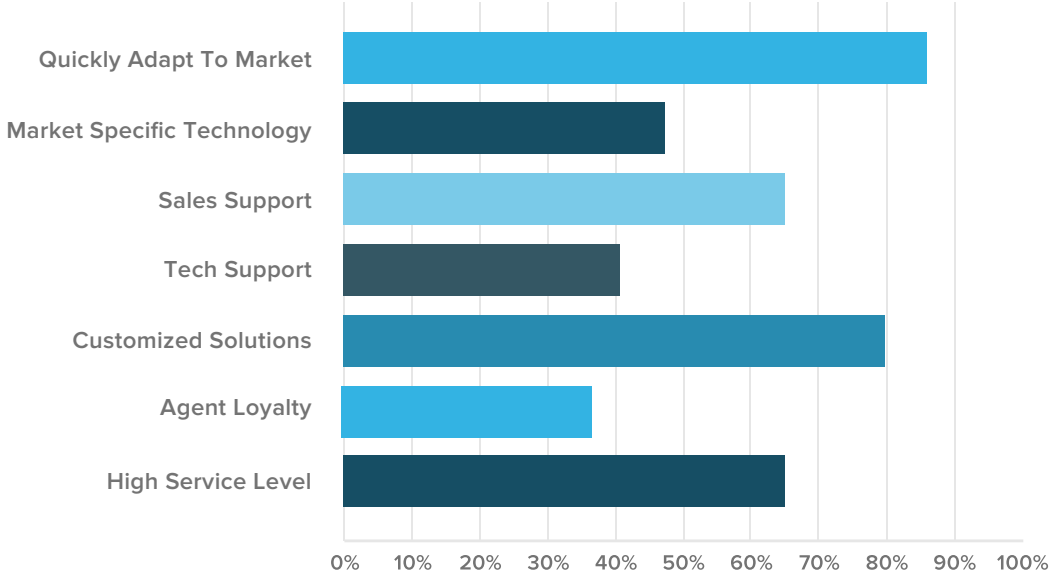
Answered: 297 Skipped: 480



Answer Choices	Responses	
Don't want to pay franchise fees	60.61%	180
Wanted to build my own brand	68.69%	204
I feel I'm more profitable as an independent	59.60%	177
I like having total control of branding decisions at my firm	80.47%	239
My agents prefer to be with an independent firm	44.44%	132
<b>Total Responses:</b>		<b>297</b>

# Q14 WHAT ADVANTAGES DOES BEING INDEPENDENT HAVE OVER FRANCHISING? (CHOOSE ALL THAT APPLY)

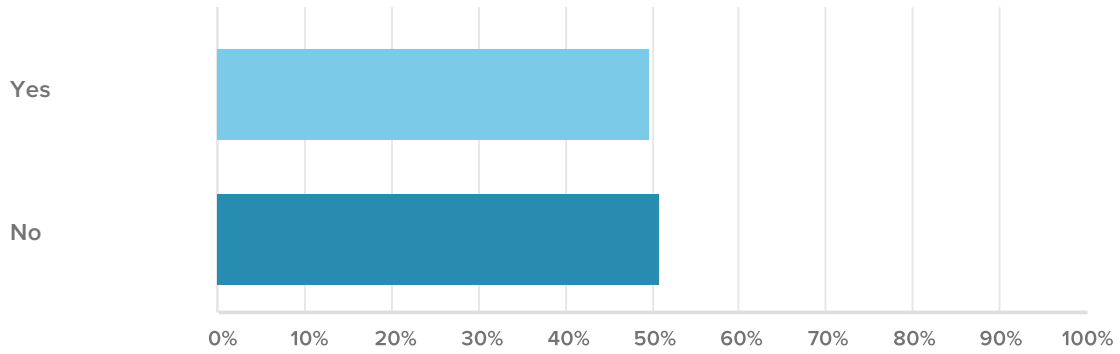
Answered: 292 Skipped: 485



Answer Choices	Responses	
Ability to move quickly, adapt to changing local market conditions	86.64%	253
Offer technology to my agents that's specifically suited to my market	48.63%	142
I can offer a high level of sales support to my agents	65.41%	191
I can offer a high level of tech support to my agents	40.75%	119
I have the ability to come up with customized solutions to problems	80.14%	234
Agents have a higher buy in to the firm because they have a sense of ownership	37.33%	109
I can offer a higher level of service to my customers	65.41%	191
	<b>Total Responses:</b>	<b>292</b>

## Q15 DO YOU ADVERTISE AT THE BROKERAGE LEVEL ON ZILLOW, TRULIA OR REALTOR.COM?

Answered: 298 Skipped: 479

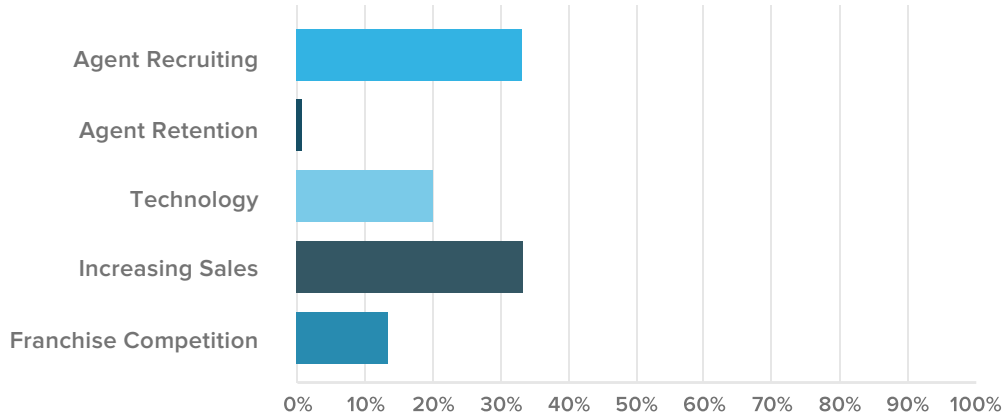


Answer Choices	Responses
Yes	<b>49.66%</b> 148
No	<b>50.34%</b> 150
<b>Total</b>	<b>298</b>



## Q16 WHAT'S THE BIGGEST CHALLENGE FACING YOUR BUSINESS?

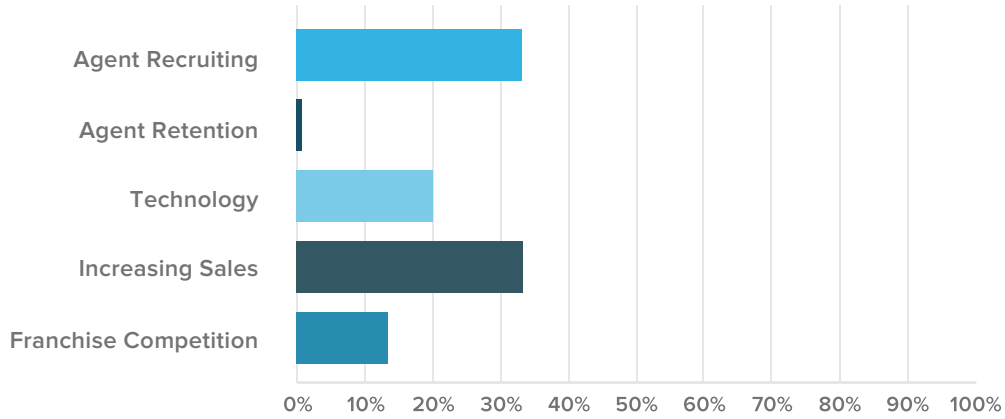
Answered: 278 Skipped: 499



Answer Choices	Responses	
Recruiting agents	33.09%	92
Retaining my current agents	0.72%	2
Figuring out what technology to use	20.50%	57
How to increase my agents' sales	32.01%	89
Competing with brokerages that are affiliated with franchise brands	13.67%	38
	<b>Total Responses:</b>	<b>278</b>

## Q16 WHAT'S THE BIGGEST CHALLENGE FACING YOUR BUSINESS?

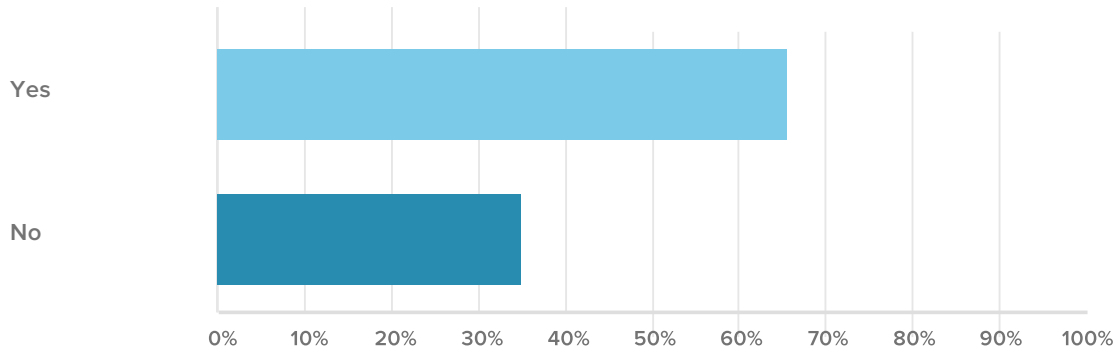
Answered: 278 Skipped: 499



Answer Choices	Responses	
Recruiting agents	33.09%	92
Retaining my current agents	0.72%	2
Figuring out what technology to use	20.50%	57
How to increase my agents' sales	32.01%	89
Competing with brokerages that are affiliated with franchise brands	13.67%	38
	<b>Total Responses:</b>	<b>278</b>

## Q17 HAVE YOU EVER BEEN AFFILIATED WITH A REAL ESTATE FRANCHISE BRAND?

Answered: 313 Skipped: 464

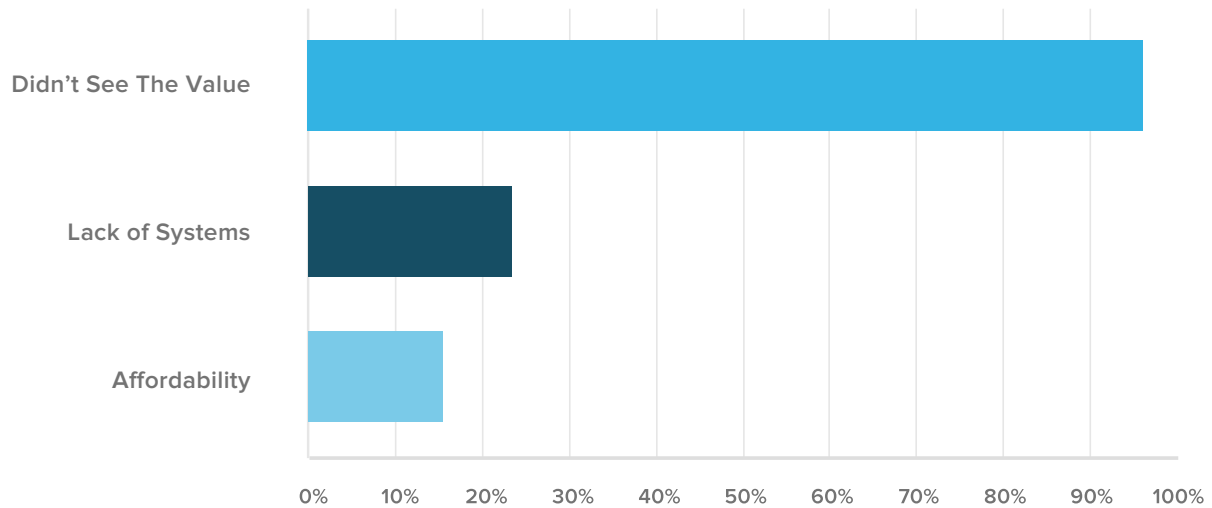


Answer Choices	Responses
Yes	<b>65.50%</b> 205
No	<b>34.50%</b> 108
<b>Total</b>	<b>313</b>

## Q18 WHY AREN'T YOU CURRENTLY AFFILIATED WITH A FRANCHISE BRAND?

(CHOOSE ALL THAT APPLY)

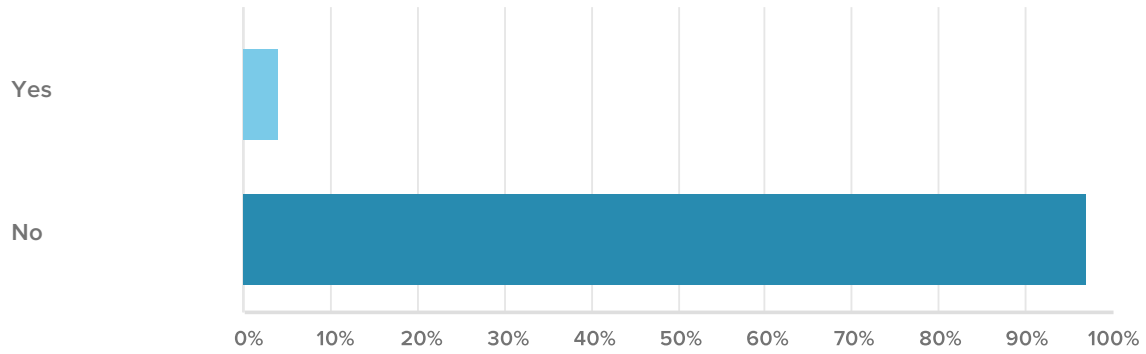
Answered: 297 Skipped: 480



Answer Choices	Responses
Didn't see the value	<b>94.61%</b> 281
Didn't provide the systems needed to run a real estate business	<b>23.57%</b> 70
Couldn't afford the fees	<b>14.14%</b> 42
<b>Total</b>	<b>297</b>

## Q19 ARE YOU CONSIDERING AFFILIATING WITH A FRANCHISE BRAND IN THE FUTURE?

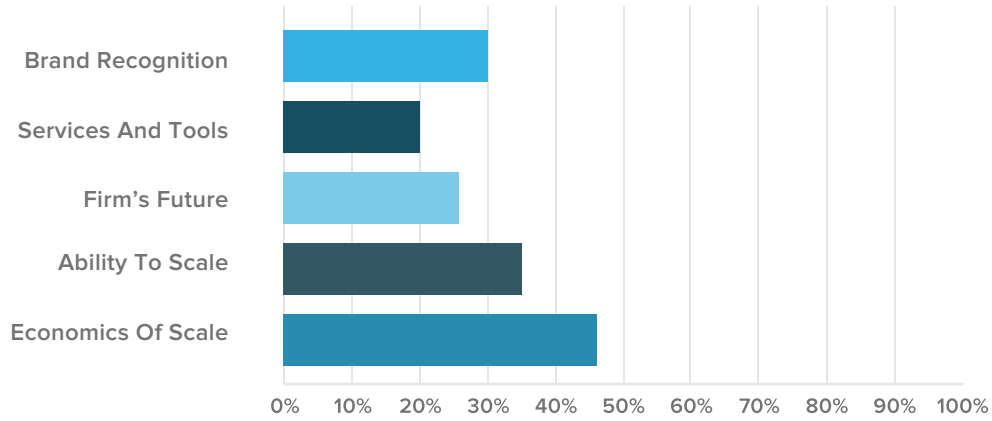
Answered: 317 Skipped: 460



Answer Choices	Responses	
Yes	3.47%	11
No	96.53%	306
<b>Total</b>		<b>317</b>

**Q20 IF YOU ARE PLANNING ON AFFILIATING WITH A FRANCHISE BRAND IN THE FUTURE, WHY?**  
(CHOOSE ALL THAT APPLY)

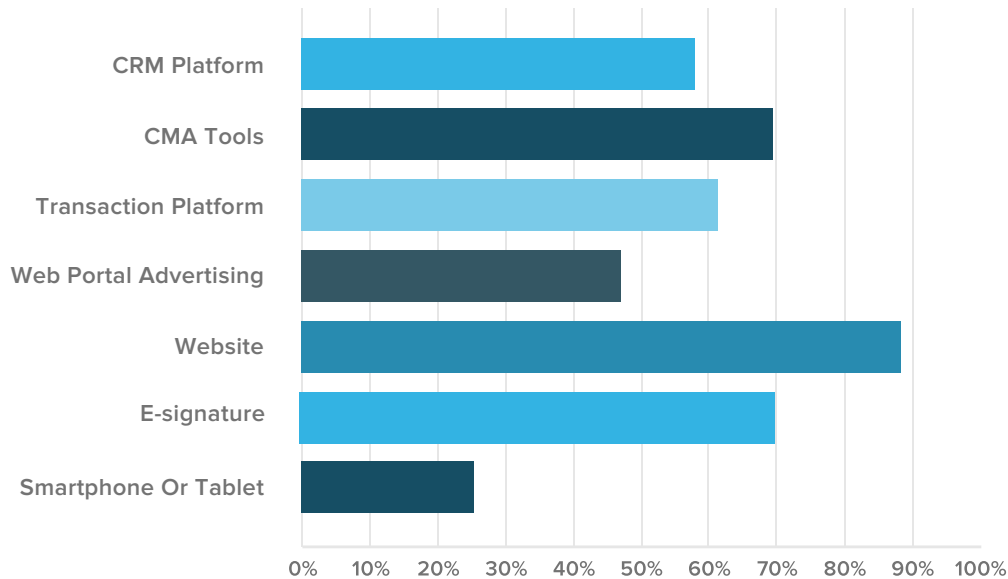
Answered: 20 Skipped: 757



Answer Choices	Responses	
Need the brand recognition	30.00%	6
Need the services and tools franchises offer	20.00%	4
Will help my firm endure after I'm gone	25.00%	5
I plan on expanding and I could use the brand recognition and scale that a franchisor offers	35.00%	7
The economies of scale, for marketing and technology, are much greater with a franchise	45.00%	9
	<b>Total Responses:</b>	<b>20</b>

## Q21 WHICH OF THE FOLLOWING TECHNOLOGIES DO YOU OFFER YOUR AGENTS? (CHOOSE ALL THAT APPLY)

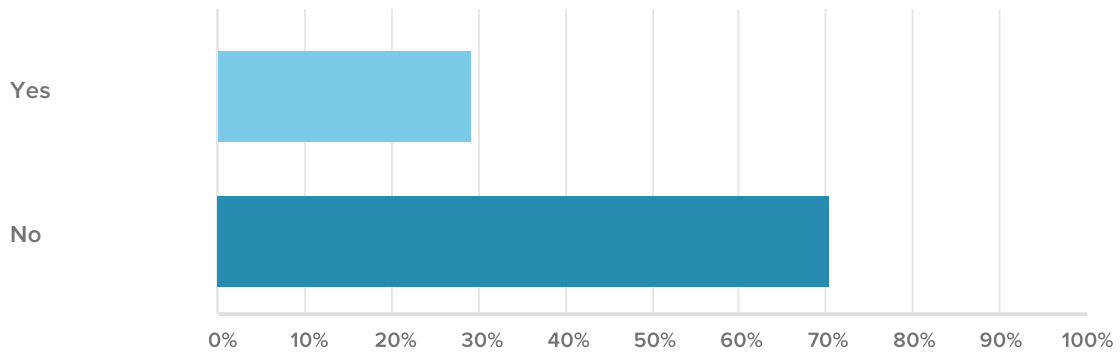
Answered: 303 Skipped: 474



Answer Choices	Responses	
Customer relationship management platform	58.09%	176
CMA - comparative market analysis tool	70.96%	215
Transaction management platform	61.72%	187
Advertising on one or more of the big portals (Zillow, Trulia, realtor.com)	47.52%	144
Website	89.77%	272
E-signature	69.97%	212
Smartphone or tablet	25.41%	77
	<b>Total Responses:</b>	<b>303</b>

## Q22 ARE YOU PART OF A NATIONAL OR INTERNATIONAL REFERRAL/RELOCATION NETWORK?

Answered: 310 Skipped: 467

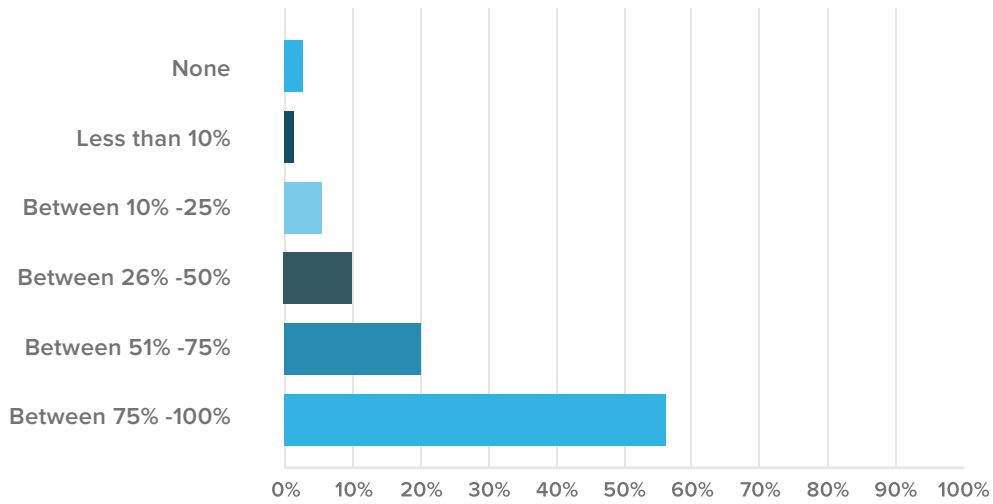


Answer Choices	Responses
Yes	<b>29.68%</b> 92
No	<b>70.32%</b> 218
<b>Total</b>	<b>310</b>



## Q23 WHAT PERCENTAGE OF AGENTS USE THE TECHNOLOGIES YOU OFFER?

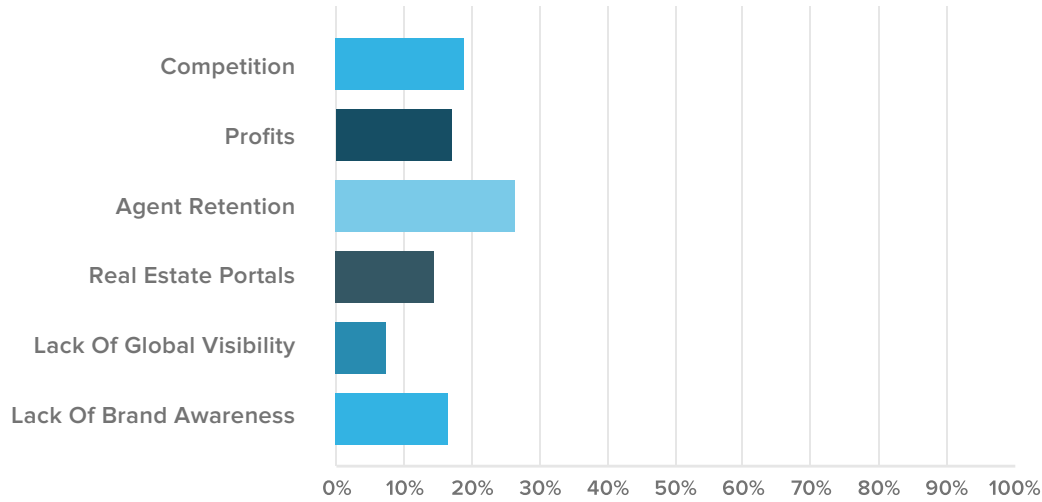
Answered: 303 Skipped: 474



Answer Choices	Responses	
None	3.63%	11
Less than 10%	2.31%	7
Between 10% - 25%	5.94%	18
Between 26% - 50%	10.89%	33
Between 51% - 75%	20.79%	63
Between 75% - 100%	56.44%	171
	<b>Total Responses:</b>	<b>303</b>

## Q24 WHAT DO YOU SEE AS THE BIGGEST THREAT FACING INDEPENDENT BROKERAGES?

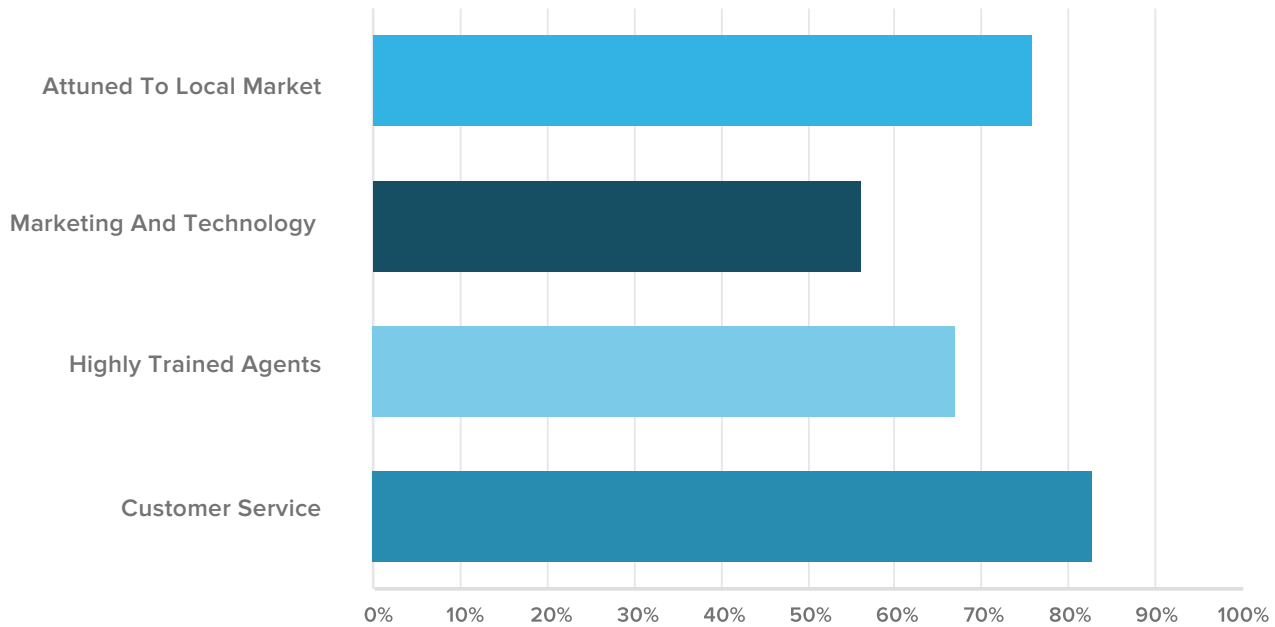
Answered: 297 Skipped: 480



Answer Choices	Responses	
Competition from large brokerages and franchises	19.19%	57
Ability to run a profitable real estate business	17.51%	52
Ability to attract and keep agents	24.58%	73
Real estate portals	14.14%	42
Lack of global visibility	8.08%	24
Lack of brand awareness	16.50%	49
	<b>Total</b>	<b>297</b>

## Q25 WHAT IS YOUR COMPANY'S VALUE PROPOSITION TO CONSUMERS? (CHOOSE ALL THAT APPLY)

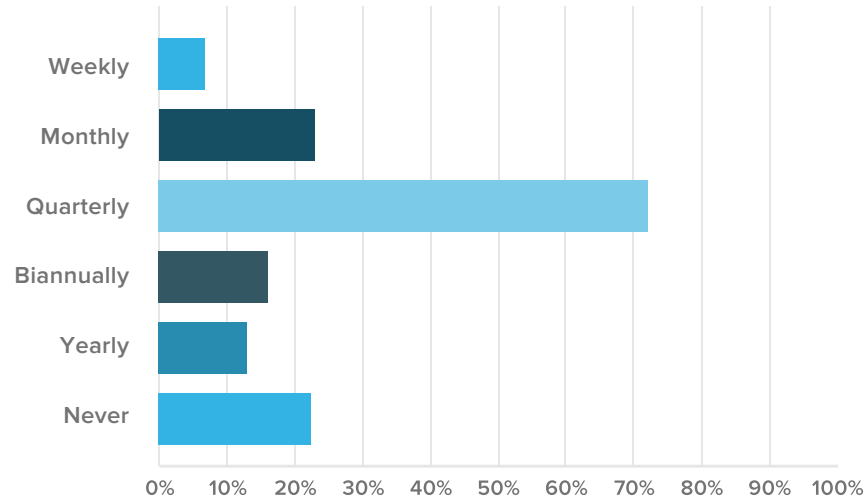
Answered: 316 Skipped: 461



Answer Choices	Responses
We are deeply attuned to the local market	<b>76.58%</b> 242
We offer innovative marketing and technology	<b>56.01%</b> 177
We have highly trained agents	<b>67.41%</b> 213
A high level of end-to-end customer service	<b>82.28%</b> 260
<b>Total</b>	<b>316</b>

## Q26 ARE YOU COURTED BY FRANCHISE BRANDS? HOW OFTEN?

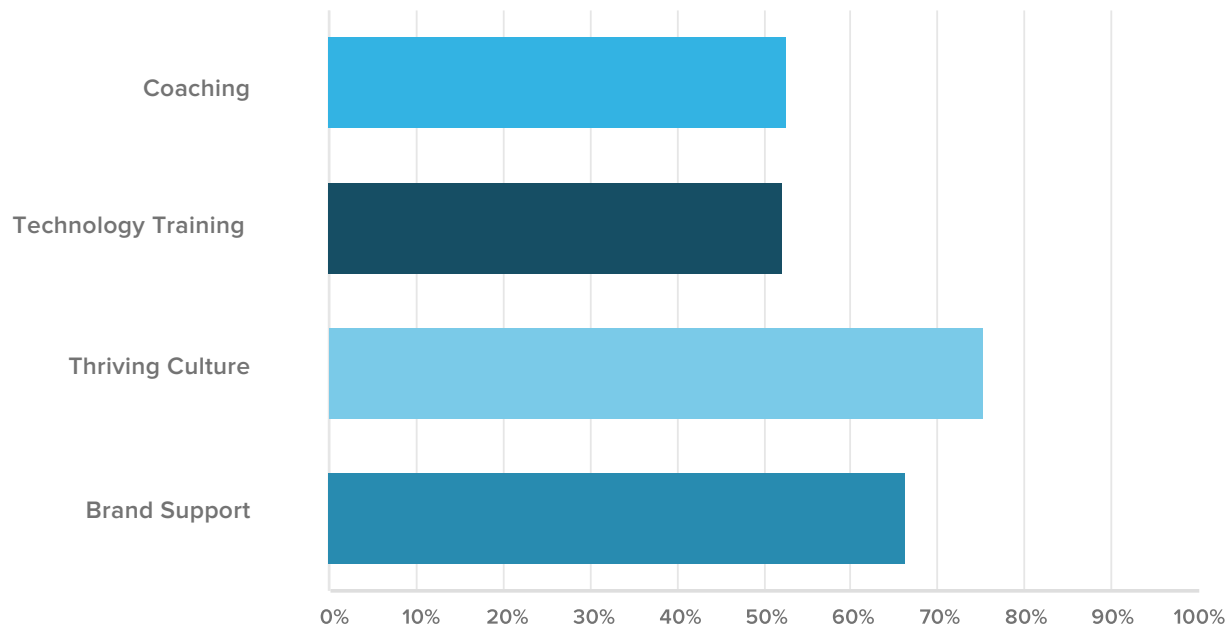
Answered: 316 Skipped: 461



Answer Choices	Responses	
Weekly	7.28%	23
Monthly	23.10%	73
Quarterly	17.09%	54
Biannually	14.56%	46
Yearly	15.19%	48
I don't get courted by franchisors	22.78%	72
	<b>Total Responses:</b>	<b>316</b>

## Q27 WHAT IS YOUR COMPANY'S VALUE PROPOSITION TO AGENTS? (CHOOSE ALL THAT APPLY)

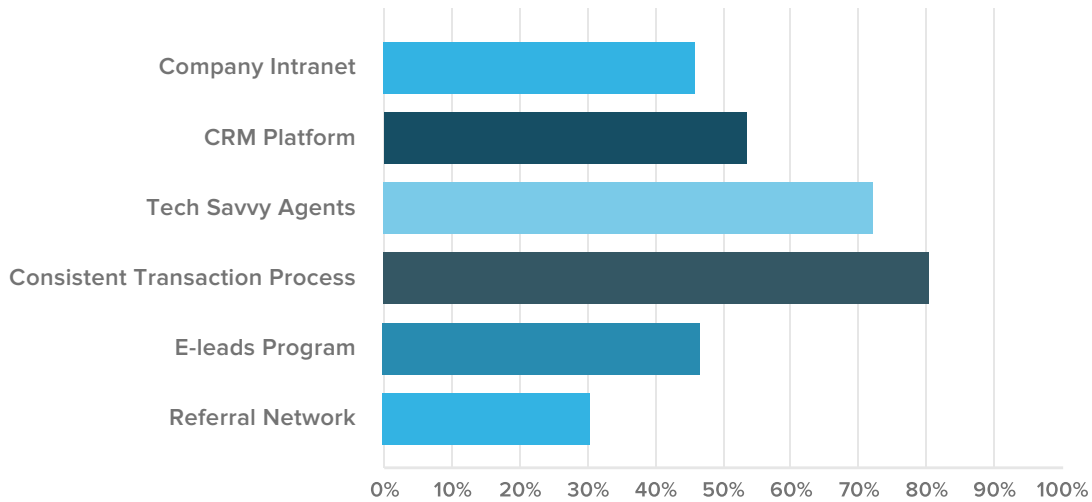
Answered: 298 Skipped: 479



Answer Choices	Responses
In-depth coaching	<b>52.68%</b> 157
Hands-on tech training	<b>52.68%</b> 157
A unique, thriving culture	<b>74.83%</b> 223
A place that supports our agents' brands	<b>66.44%</b> 198
<b>Total</b>	<b>298</b>

## Q28 DOES YOUR FIRM (CHOOSE ALL THAT APPLY):

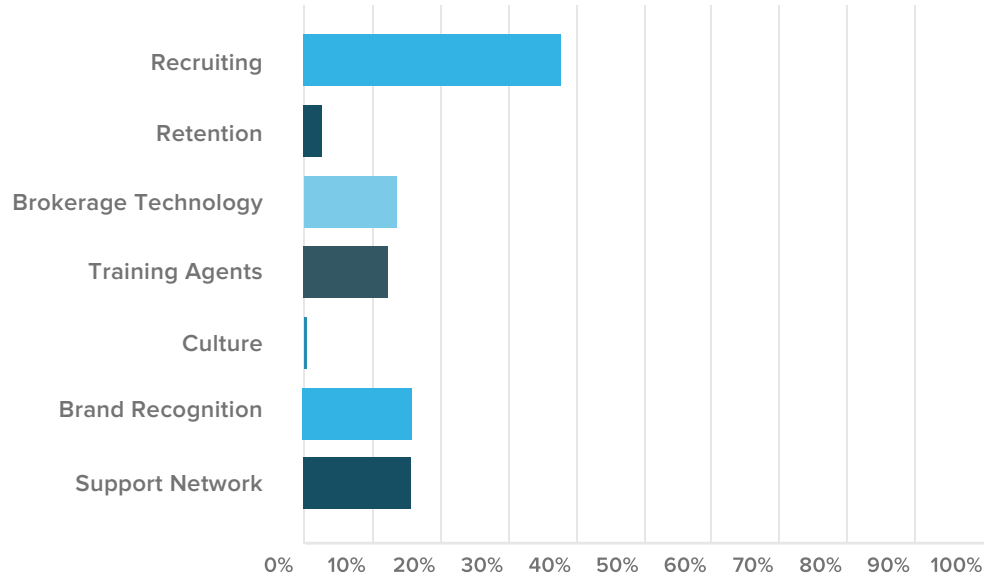
Answered: 293 Skipped: 484



Answer Choices	Responses	Count
Have a company intranet?	43.00%	126
Offer agents a customer relationship management platform?	52.22%	153
Have technology that a high percentage of your agents use?	71.33%	209
A consistent, mandated procedure for handling all transactions?	80.89%	237
Have an e-leads program?	47.10%	138
Participate in a national or international referral network?	30.03%	88
<b>Total Responses:</b>		<b>293</b>

## Q29 WHAT DO YOU AS A BROKER STRUGGLE WITH THE MOST?

Answered: 289 Skipped: 488

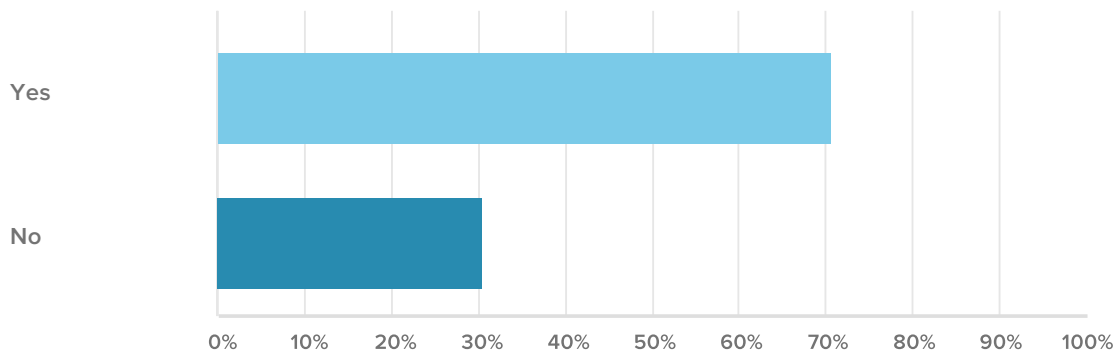


Answer Choices	Responses	
Recruiting	38.06%	110
Retention	3.11%	9
Brokerage technology	13.15%	38
Training agents	12.46%	36
Culture	0.69%	2
Brand recognition	16.61%	48
A support network for you as a broker	15.92%	46
	<b>Total Responses:</b>	<b>289</b>

### Q30 DOES YOUR BROKERAGE ENFORCE A SET OF BRAND STANDARDS?

(Example: does every agent have the same business card)?

Answered: 314 Skipped: 463

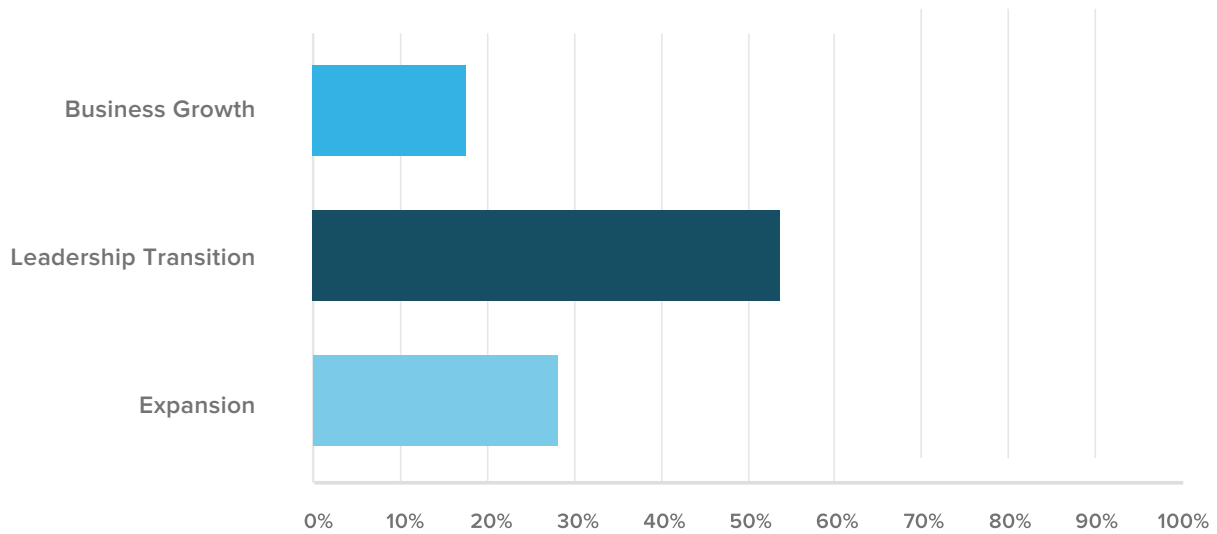


Answer Choices	Responses
Yes	<b>70.70%</b> 222
No	<b>29.30%</b> 92
<b>Total</b>	<b>314</b>



## Q31 WHAT WOULD PROMPT YOU TO AFFILIATE WITH A FRANCHISE BRAND?

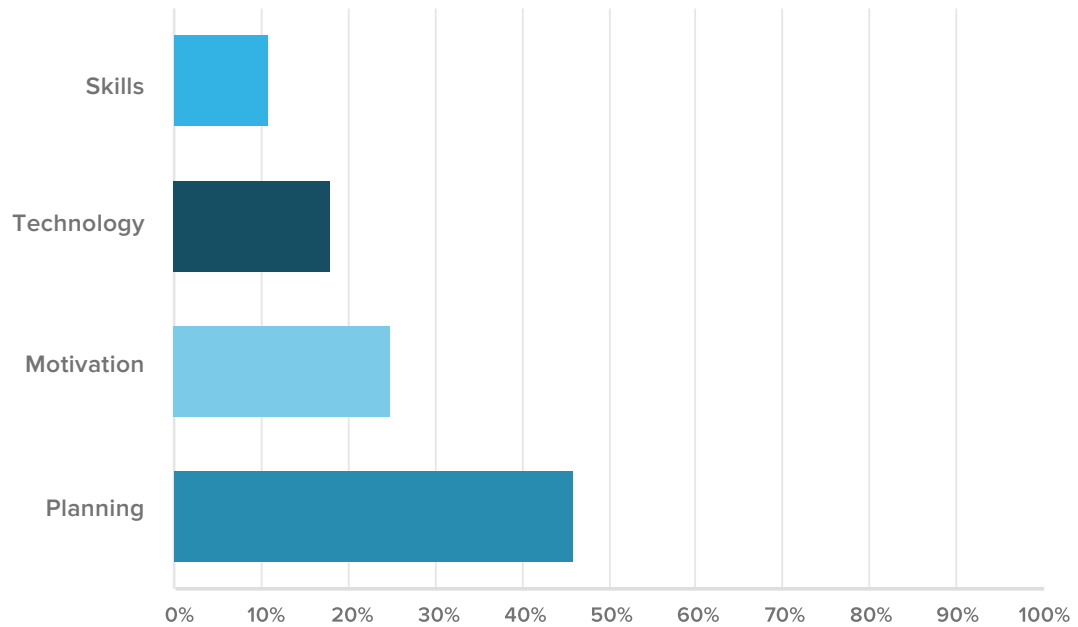
Answered: 208 Skipped: 569



Answer Choices	Responses
An interest in growing my agent count with scalable technology and other business tools	<b>18.27%</b> 38
If I was set to retire and didn't have a leadership transition in place	<b>52.88%</b> 110
If I wanted to expand geographically	<b>28.85%</b> 60
	<b>Total 208</b>

## Q32 WHAT IS THE BIGGEST PROBLEM YOUR AGENTS STRUGGLE WITH?

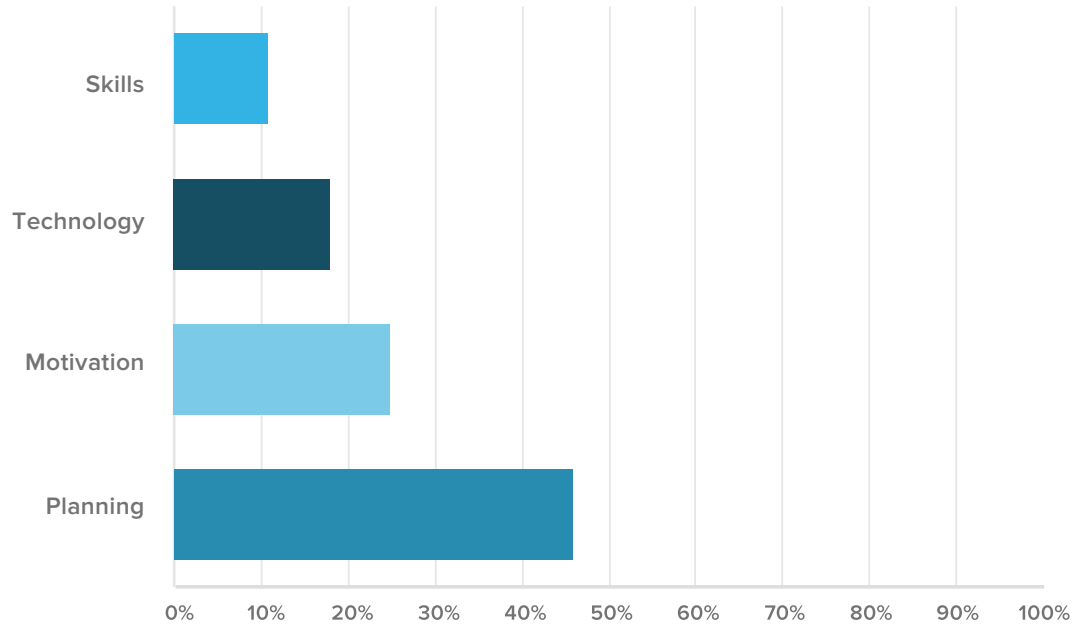
Answered: 233 Skipped: 5



Answer Choices	Responses
Lack of sales skills	<b>10.73%</b> 25
Lack of tech-savviness	<b>18.88%</b> 44
Lack of motivation and drive	<b>24.03%</b> 56
Lack of planning	<b>46.35%</b> 108
	<b>Total 233</b>

## Q32 WHAT IS THE BIGGEST PROBLEM YOUR AGENTS STRUGGLE WITH?

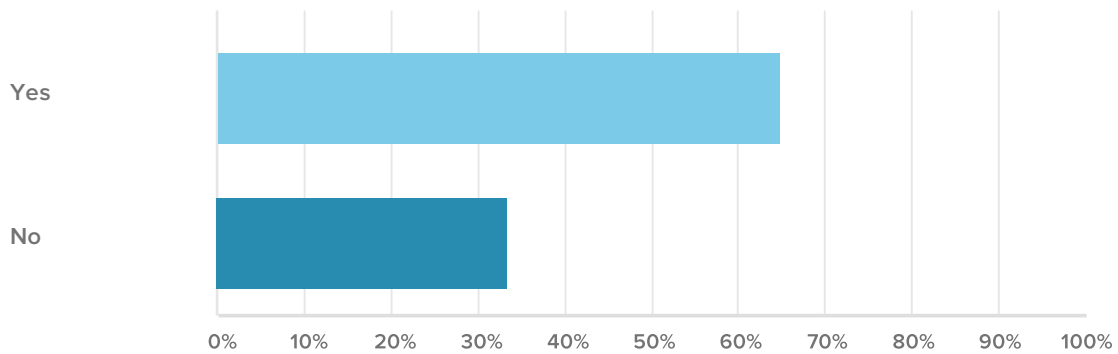
Answered: 233 Skipped: 5



Answer Choices	Responses
Lack of sales skills	<b>10.73%</b> 25
Lack of tech-savviness	<b>18.88%</b> 44
Lack of motivation and drive	<b>24.03%</b> 56
Lack of planning	<b>46.35%</b> 108
	<b>Total 233</b>

### Q33 DOES YOUR FIRM RECRUIT FIRST-TIME AGENTS?

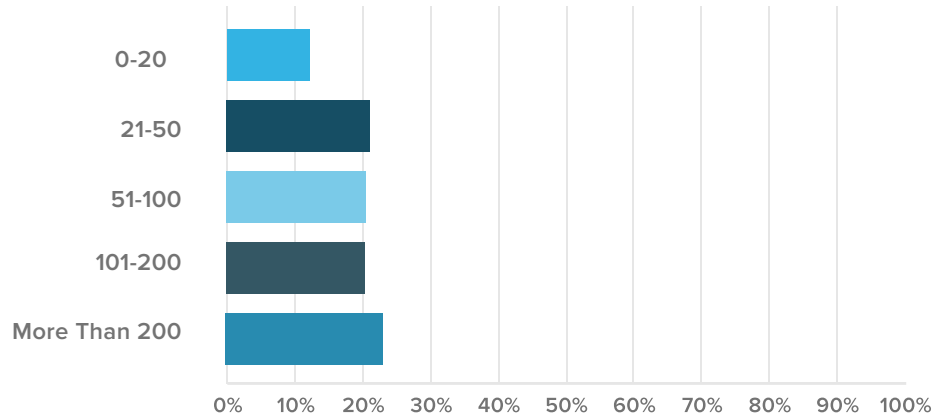
Answered: 311 Skipped: 466



Answer Choices	Responses
Yes, we have a training program that helps get new agents up to speed.	<b>65.27%</b> 203
No, we don't have the resources to manage newbies.	<b>34.73%</b> 108
<b>Total</b>	<b>311</b>

## Q36 HOW MANY AGENTS ARE IN YOUR BROKERAGE?

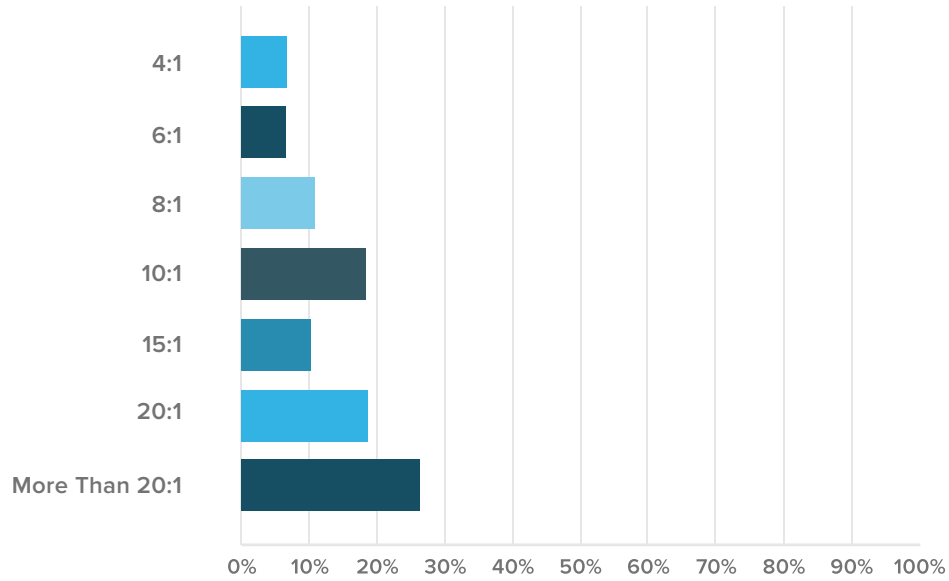
Answered: 115 Skipped: 662



Answer Choices	Responses	
Zero to twenty	13.91%	16
Twenty one to fifty	21.74%	25
Fifty one to one hundred	20.87%	24
One hundred one to two hundred	20.87%	24
More than two hundred	22.61%	26
	<b>Total</b>	<b>115</b>

## Q37 WHAT'S THE APPROXIMATE AGENT-TO-STAFF RATIO AT YOUR FIRM?

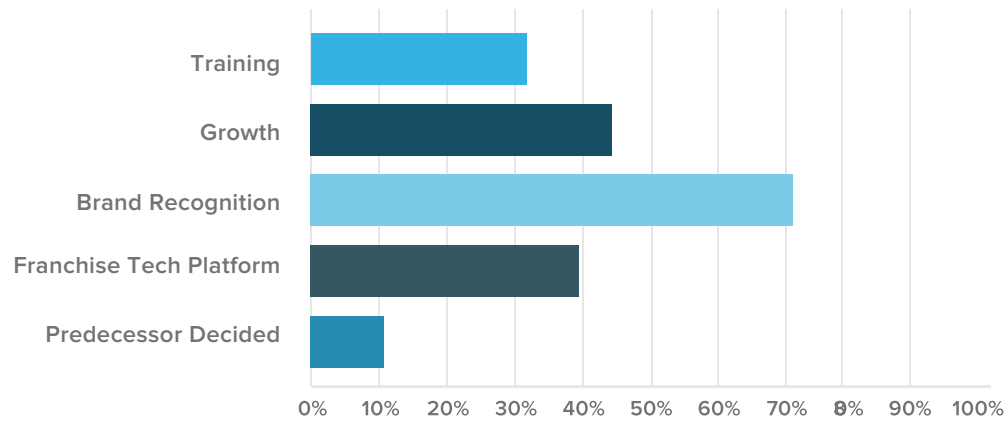
Answered: 112 Skipped: 665



Answer Choices	Responses	
Four to one	7.14%	8
Six to one	7.14%	8
Eight to one	10.71%	12
Ten to one	18.75%	21
Fifteen to one	10.71%	12
Twenty to one	18.75%	21
More than twenty to one	26.79%	30
	<b>Total</b>	<b>112</b>

## Q38 WHY DID YOU DECIDE TO AFFILIATE WITH A FRANCHISE BRAND? (CHOOSE ALL THAT APPLY)

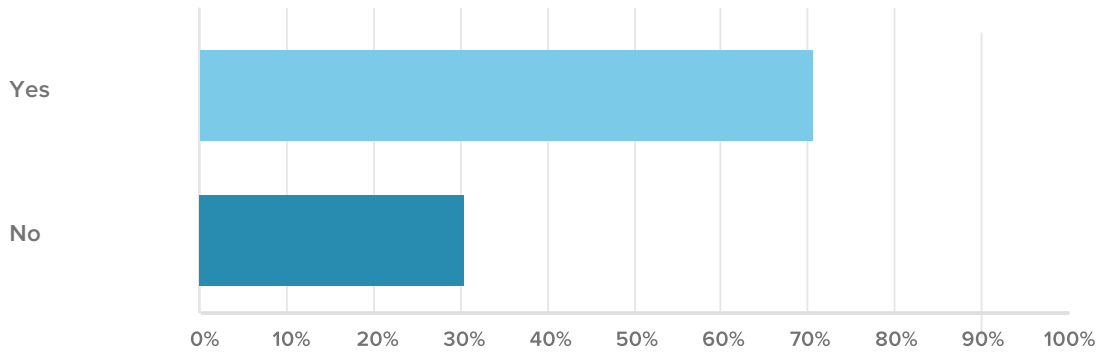
Answered: 109 Skipped: 668



Answer Choices	Responses	
I wanted the training that a franchisor offered	32.11%	35
I wanted to grow my business, and my franchisor offered the scale	44.04%	48
I wanted the branding recognition that came with a franchise	70.64%	77
I wanted access to my franchisor's tech platform	39.45%	43
A predecessor decided	11.01%	12
	<b>Total</b>	<b>109</b>

### Q39 DO YOU EVER THINK ABOUT GOING INDEPENDENT?

Answered: 112 Skipped: 665

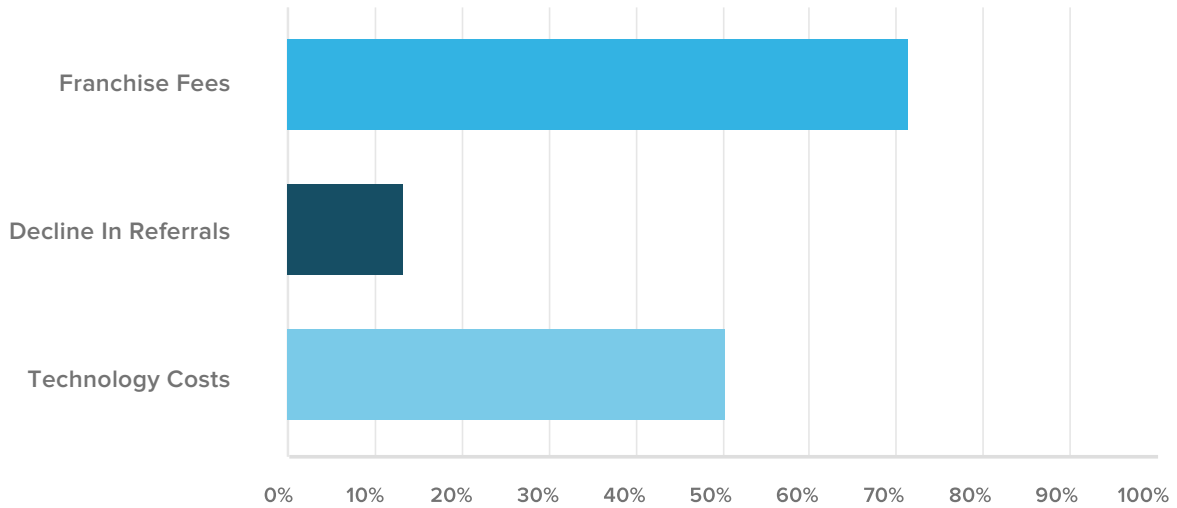


Answer Choices	Responses
Yes	<b>70.54%</b> 79
No	<b>29.46%</b> 33
	<b>Total 112</b>



## Q40 WHAT WOULD COMPEL YOU TO GO INDEPENDENT? (CHOOSE ALL THAT APPLY)

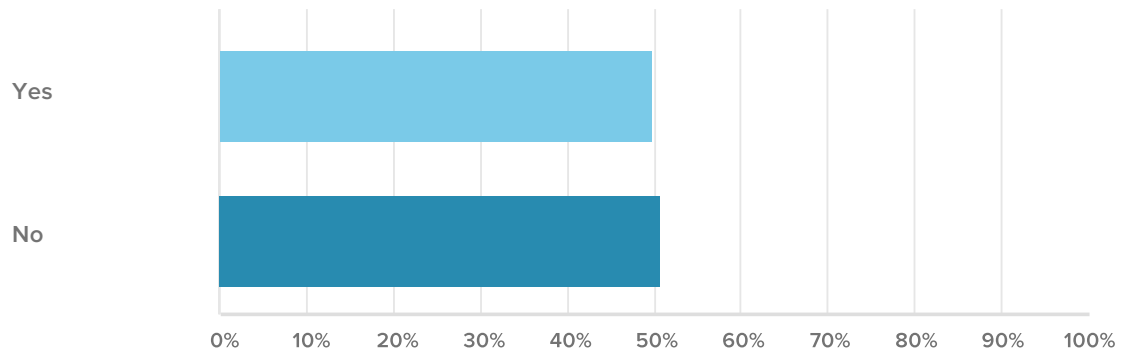
Answered: 99 Skipped: 678



Answer Choices	Responses
If franchise fees shot up	<b>70.71%</b> 70
If referrals through my national franchise network dropped	<b>13.13%</b> 13
If I could afford to provide the technology my franchisor provides to my agents at a similar price	<b>50.51%</b> 50
	<b>Total 99</b>

## Q41 ARE FRANCHISE FEES WORTH IT?

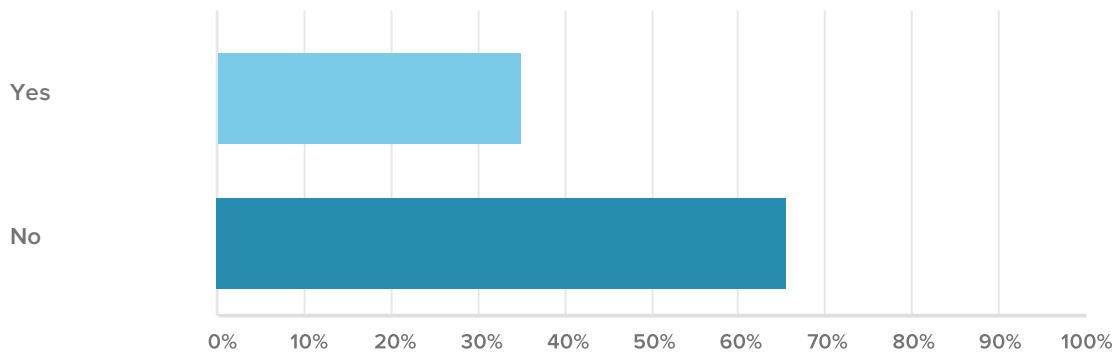
Answered: 109 Skipped: 668



Answer Choices	Responses	
Yes	<b>49.54%</b>	54
No	<b>50.46%</b>	55
	<b>Total</b>	<b>109</b>

## Q42 WOULD YOU CONSIDER A DIFFERENT FRANCHISE WHEN YOUR CURRENT CONTRACT EXPIRES? WHY?

Answered: 105 Skipped: 672



Answer Choices	Responses
Yes. Franchising makes good money and business sense for my firm.	<b>34.29%</b> 36
No. I think I can do better on my own.	<b>65.71%</b> 69
	<b>Total 105</b>

*This Special Report was developed especially for Inman Select readers.*

*[Visit Inman Select](#) to join or learn more!*

*Be the first to read original research and smart industry analysis.*

*Inman Select is more than news. It's your key to success.*

